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ABSTRACT

These 12 technical assistance papers offer practical suggestions on ways to develop high quality school-age child care programs (SACCP), particularly in New York. The papers: (1) introduce the topic of school-age child care and describe ways in which such care can meet the needs of families in New York; (2) provide guidelines for development of SACCPs; (3) outline several approaches for conducting a needs assessment to obtain an accurate determination of the need for a SACCP in a particular community; (4) discuss legal issues of incorporation and profit or not-for-profit status; (5) outline the process of incorporation and provide guidelines for the incorporation of a SACCP in New York; (6) present procedures and criteria for obtaining tax-exempt status; (7) summarize New York and federal requirements for employers and suggest resources for additional information; (8) outline content areas that should be addressed in bylaws for a SACCP; (9) describe legal responsibilities of a board of directors and provide guidelines for selection and maintenance of an effective board; (10) offer suggestions for program activities and techniques for work with groups and individual children; (11) provide guidelines for development of a budget; and (12) describe procedures and principles for management of program funds. (RH)

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NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

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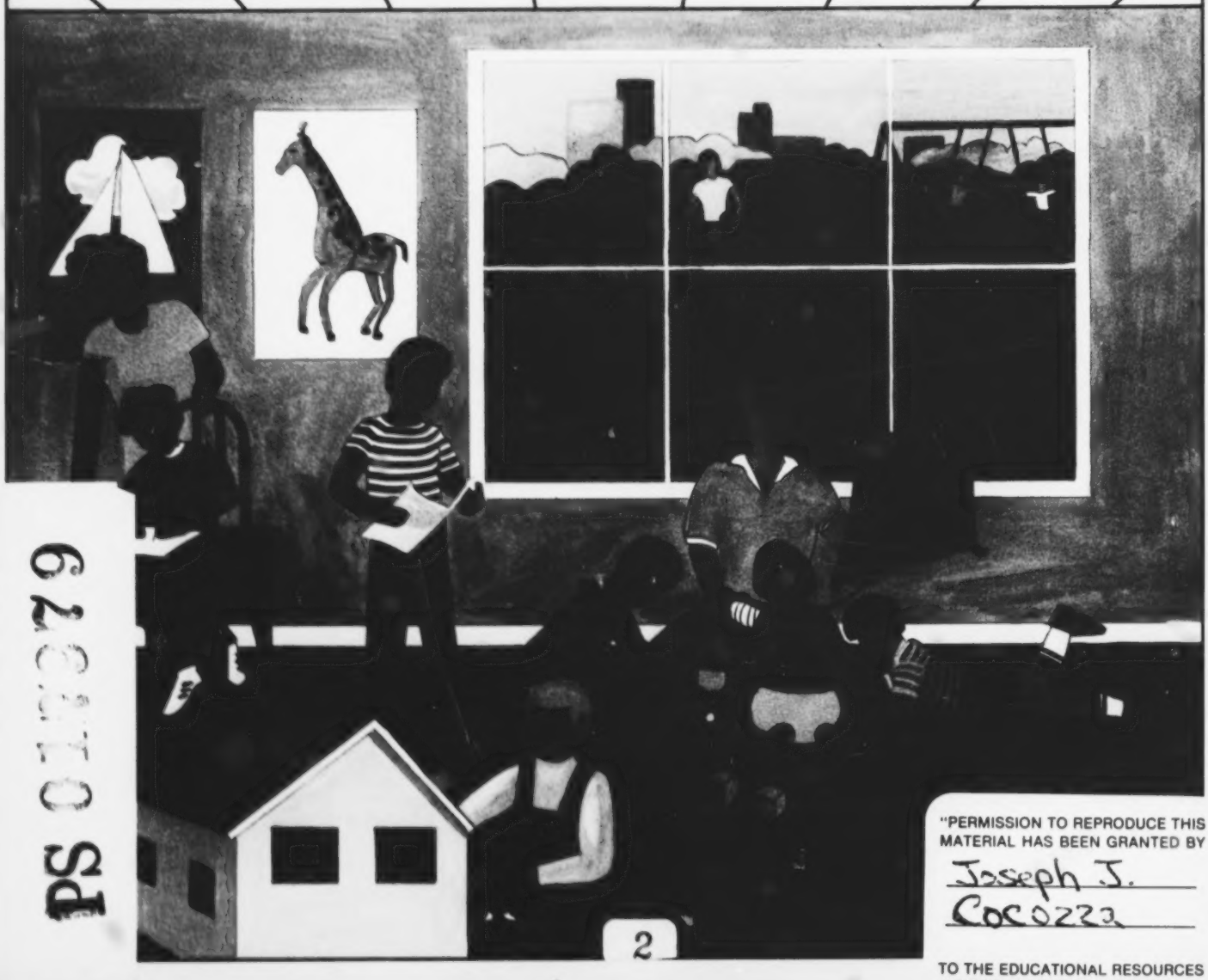
School-Age Child Care

A continuing series of technical assistance papers



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When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 1 MAY 1986

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

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Defining School-Age Child Care

School-age child care can be defined as any program which provides child care for elementary and middle school children during the hours when parents are at work and school is not in session. While most programs provide care after school, many also provide services before school, on snow days, school holidays, and during the summer and other school vacations. This technical assistance paper provides an introduction to the topic of school-age child care and describes how such a program can meet the needs of families in New York State.

What Distinguishes School-Age Child Care From Other Programs?

A number of enrichment programs, youth centers, recreation and club activities exist at the community level and serve children after school hours on a drop-in or voluntary basis. These youth activities are often scheduled intermittently and can range from an hour a week to five days a week. Such youth services are important community resources to children and families, but usually do not offer the degree of child supervision needed by working parents.

In order to meet working parents' needs, school-age child care programs should provide supervision in a structured and safe environment. Such programs should strive to fulfill the following:

- operate five days a week, preferably also during school vacations, holidays and during the summer;
- maintain hours of operation which meet the needs of working parents;
- provide care to a registered group of children on a consistent basis;
- provide accountability to parents including maintaining attendance records;
- maintain continuity of staff; and
- operate from a permanent site with access to outdoor areas.

What Are the Needs of Children in a School-Age Child Care Program?

A quality school-age child care program is designed to meet the developmental needs of children. Children are temperamentally different and vary in physical and emotional development. However, there are patterns of development in the middle years of childhood that provide a framework for building program activities. Children at these ages are concerned with hands-on experiences, completing tasks, creating products, developing physical and intellectual competencies, demonstrating responsibility, and experiencing success and mastery. During these years, children are social, seeking friendship with peers and adults outside their family.

In a program serving children of different ages, children should be grouped according to their developmental levels, and activities provided should be age-appropriate with increasing levels of skill, responsibility, and independence. However, groups should be organized with flexibility allowing for individual maturation, special interests, and friendships. There should also be activities which are planned for older children in the program or in the community to relate to younger children in a helping role. Children also need positive interaction with adults who can provide a model and exemplify personal qualities for children to emulate. Program staff

must understand how children grow and develop, be able to facilitate activities for children, encourage individuality, and stimulate ideas.

What Types of Activities Occur in a School-Age Child Care Program?

A school-age child care program should be provided in a comfortable atmosphere that more closely resembles the environment of a child's home than the formal environment of the school. Programs should be flexible, provide a choice of activities and a daily nutritious snack. The cultural background and heritage of children enrolled in a program should be reflected in program activities and the program environment, with opportunities for the involvement of children and their families.

During after-school hours, it is necessary to build on the school day, supplementing and complementing the school experience by adding activities not stressed in school rather than repeating similar ones. Space, time, and staff assistance may be available to children who want to do homework, but it is not recommended that homework be required or become the focus of the program. Activities should include structured experiences, informal social interaction, and solitary play.

Unstructured, leisure, and restful activities such as reading, listening to music, and informal socializing should be offered. Children should be able to choose from a variety of quiet activities in which they can independently draw, color, play table games, and manipulate puzzles or multi-piece construction toys.

Opportunities for physical play should be provided in indoor and outdoor space allowing freedom of movement for children. Equipment such as balls, hoops, riding vehicles, and climbing equipment should be available for large muscle activity. Staff can plan and structure gross motor activities such as aerobics, creative movement, dance, group games, and sports where developmentally appropriate.

Projects involving construction, creativity, and exploration should be planned by staff. Sculptures, collages, paintings, and arts and crafts products can be created from a wide variety of materials including clay, wood, paint, textured cloth, glue, and from materials found in the program environment (e.g. pine cones, stones, and leaves). Program staff should also encourage longer term projects such as plays, newsletters, or special events and celebrations.

The development of a stimulating and diverse school-age child care program requires systematic planning from both administration and staff. Each week, time should be reserved for staff to plan the program schedule so as to ensure that the children's activities are varied and stimulating. On a daily basis, time should be available for staff to organize and prepare activities before children arrive. The participation of children in selecting activities and generating ideas can spark their interest and involvement, and vitalize a program.

How Do You Arrange Physical Space to Promote Fun and Enrichment?

Exclusive use of a main program area is desirable so that it can be arranged specifically for child care. However, due to limited financial resources and scarcity of available facilities, many school-age programs share space with other programs. In such cases, it is important to have access to a variety of auxiliary areas such as a kitchen, gym, library, art, or music room. This situation often calls for staff creativity and a willingness to assemble materials and equipment on a daily basis.

The environment and room arrangement of the primary space will set the mood and tone of the program, define activity areas, and provide the opportunity for children to choose from a variety of activities. Space should be provided for quiet and active play, and the environment should be conducive to small group activity. The physical space should be separated into activity areas which stimulate a child's interest and independent exploration. The following interest/activity areas are suggested:

Arts and Crafts Area - Paint, paper, glue, crayons, markers, and scissors should be available for children to use independently. Special projects with materials should be planned and set up with adult supervision.

Construction Area - Building materials (e.g., wood and glue) should be available under adult supervision.

Block Area - An area equipped with blocks and accessory toys (e.g., trucks, animals, and dolls) should be available.

Quiet Area - A private corner or space with dividers and comfortable accessories (e.g., rug, stuffed chairs, bean bag chairs, and/or pillows) should be created.

Active Area - An indoor space allowing play with sports equipment should be available.

Reading Corner - Books at the interest and developmental levels of the children should be attractively displayed and available for use. This area can be combined with a quiet corner.

Table Area - A space with games, puzzles, and manipulative materials which reflect the ages and developmental capabilities of children should be readily accessible.

Exploration Area - A science area with appropriate materials (e.g., magnets, microscope, magnifying glasses) should be created and changed frequently.

Outdoor Space - An outdoor area for active physical play and sports is necessary.

Auxiliary Space - Special areas and rooms (e.g., kitchen, gym, art room, library, or industrial art room) for activities of interest to the children can significantly enhance program offerings.

The equipment and activities required for any particular program depend on the size of the group, and the age and developmental levels of children. Including children in the planning and decoration of program space can foster pride and increase interest and involvement in the program.

What Is the Role of Parents in a School-Age Child Care Program?

Parents are a valuable resource in the planning, development, and operation of a school-age child care program. Parents can help shape a program to meet their needs and the needs of their children. Specific input from parents regarding work schedules, transportation needs, and program content will provide necessary information to define appropriate program services and operating hours. Involving parents in program development can also help in the recruitment of children. Parents who are unsure of the quality of new, untested programs may hesitate to enroll their children. They will be much more invested in a program, however, that they have helped to design.

As a program becomes operational, parent participation further enriches the program. In addition to the information they provide on their own children, parents can contribute a wide variety of interest and skills to the program. A program open to parents' calls, visits, and participation in activities will enhance mutual trust between parents and staff. A positive staff attitude toward parents and an understanding of the need for parental information regarding individual children will promote good communication. Such communication between the home and program will foster a sense of continuity for the child.

What Resources Are Available to a School-Age Child Care Program?

Every community is a resource for programming. The immediate surroundings of any program whether located in an urban, suburban, or rural setting can lend itself to exploration and discovery activities. Resources such as parks, zoos, museums, nature preserves, libraries, businesses, farms, and industries offer opportunities for special field trips or routine activities. Museums and libraries often offer special programs or a series of special activities specifically for children. Clubs such as Girl Scouts, Boy Scouts, and 4-H, may be willing to come to a program to provide special activities. Local child care councils, youth bureaus, cooperative extensions, departments of parks and recreation, and libraries are often helpful in locating community and regional resources and can identify contact people. School-age child care programs should take full advantage of as many of these state, regional, and local resources as possible. The more enriching, diverse, and exciting a program is, the more children will want to participate.

Individuals involved in planning programs should contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the name of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

Listed below are several resources and references that may provide additional information on the topic of school-age child care.

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New York State Department of Social Services. *Day Care Centers: Questions and Answers, Information for Groups and Individuals Interested in Organizing a Day Care Center.* Albany, New York.

Onondaga County Child Care Council (1983). "School-Age Child Care Fact Sheet for Syracuse, New York." Syracuse, New York.

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Spedding, P. (1983). School-Age Child Care. *Child Care Notebook.* Ithaca, New York: Cornell Cooperative Extension.

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The Council's School-Age Child Care Project, as well as the production of this technical assistance paper, is under the direction of Fred Meservey. The principal author is Mabel Leon.

For further information, contact:

The NYS Council on Children and Families
(518) 474-6293

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 2 MAY 1986

Developing a School-Age Child Care Program

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

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In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper will provide general guidelines on how to develop school-age child care programs. Groups planning such programs will need to adapt this process to meet the particular needs of their own community.

What Groups Should Be Involved?

Interest in developing services to school-age children beyond school hours often begins with a few individuals who have observed or experienced the need for school-age child care programs. Parents may be uncomfortable leaving their children alone and may have difficulty locating programs or making child care arrangements. Due to parents' work schedules, school staff may have observed children arriving early or remaining after school unrelated to school or extra-curricular activities.

Individuals interested in developing services for school-age children should reach out to other interested individuals and diverse groups in the community and involve them in a cooperative endeavor. The process of building this community coalition will widen the base of support for school-age child care services from a few interested individuals to the larger community.

Methods for contacting individuals and groups and bringing them together will vary from community to community. In general, the process may be as simple as reaching out to personal acquaintances and to groups with which there are already established contacts. It is important to know the community's governmental structure and to follow the proper channels in contacting key persons. Schools, formal organizations, and government officials should be contacted, preferably by the planning group rather than an individual. Throughout this process, it is important to remain positive and persistent.

The following groups and organizations should be contacted for their support and participation in planning a school-age child care program:

- *Parents* - Parents experiencing the need for child care often take the initiative and provide leadership in planning a program designed to meet their specific needs.
- *Schools* - Cooperation from schools is essential in linking the development of school-age child care programs to the school day. Schools can provide actual sites for programs. When programs are located in other sites, school involvement is needed in arranging transportation. Therefore, it is important to approach local school boards, school administrators, and PTAs in planning a program.
- *Agencies Serving Children and Youth*-Representatives of youth service agencies (e.g., YWCA, YMCA, Boy's Club, and Girl's Club) and child care programs provide an understanding of youth and their needs, and often have available staff re-

sources, space, and program expertise which can be contributed to program planning. Another advantage of including such groups is that it is often possible to expand existing youth or day care programs rather than develop a new program.

- *Civic Groups and Community Leaders* - Individuals and community groups can provide volunteers and support services. Representatives from local departments of social services, youth bureaus, and other government officials should be included for their knowledge of community services and as a potential source of support and funds for programs. In addition, major funding agencies such as the United Way can provide valuable support, specific financial information, and linkages to resources.

Who Should Take Responsibility for Planning?

As interest in school-age child care grows, a steering committee should be formed from the loose coalition of interested people. The steering committee should take responsibility for overseeing the process required to plan and implement a program.

How Do You Document the Need for a Program?

One of the first tasks of the steering committee is to gather information estimating the need for school-age child care programs and services in the community. Because of the importance of this task, a separate technical assistance paper is devoted to the various methods of conducting a needs assessment. The actual planning of a program should begin when gaps between existing services and unmet needs have been documented, and specific needs of parents and children have been identified.

What Is the Mission of the Program?

After a decision has been made to establish a program, the first step in program planning is to define the program's mission. The mission of a program clearly defines its broad purpose and sets forth a framework for more specific goals and objectives. Further, the mission outlines the general philosophy of the program which will guide the steering committee in carrying out the tasks necessary for program development. The mission also provides a framework for hiring staff, determining program eligibility, choosing program activities for children, and creating a positive program environment.

Two examples of mission statements selected from model school-age child care programs in New York State follow:

> The goal of CLASP (Children's Living After-School Program) is to become part of each child's extended family and to provide an after-school experience that provides children with the opportunity to make individual choices, to develop their creativity and to receive individual care and understanding by concerned, trained, and nuturing adults. Classroom environments are planned to offer a wide variety of activities in which children make appropriate independent choices. (Children's Living After School Program, Great Neck, New York)

> The Harbor After School Program provides an innovative and unique approach to day care services after school for children ages 6 - 14. Our mission is to support children in becoming competent learners through the development of learning patterns and habits which challenge their thinking process. This includes providing a wide choice of activities and hands-on experiences which encourage them to explore, experience, touch and ask questions that will broaden their knowledge while developing self-esteem through open dialogue with peers and adult staff. (Harbor After-School Center, 1230 Fifth Avenue, at 104th Street, New York City.)

A mission statement should be adapted to individual programs and should reflect program goals and the types of activities that children will experience.

Who Should Operate a School-Age Child Care Program?

There are two general approaches to establishing a school-age child care program: choose an existing organization to operate the program or create a new entity.

- *Choose an Existing Agency.* Existing youth serving agencies (e.g., YWCA, YMCA, Boys' Club, Girls' Club, day care centers, community centers, and school districts) may be able to expand their operations to include school-age child care. Much time and effort will be saved if an existing agency is able to provide the desired service. Some of the potential benefits include stability, financial viability, and administrative, clerical, and program support. However, it is important to carefully assess an existing agency regarding both the financial and programmatic feasibility of expanding its services. Further, the program's philosophy must be compatible with the mission of a school-age child care program as defined by the steering committee.
- *Create a New Organization.* If no existing agency can provide the desired service, a new organization must be formed. A practical consideration in deciding to create a new organization is that the creation of a new agency is a time consuming and complicated process involving many legal steps and procedures. An attorney can facilitate the work of the steering committee in meeting the following legal requirements:
  1. Incorporation of the organization;
  2. Development of bylaws; and
  3. Application for tax exempt status.

An essential task in creating a new organization is the formation of a board of directors. The board of directors is the governing body of the new organization. It is responsible for operating a program which is effective and fiscally sound. As such, the selection of the board members is essential to the functioning of an organization, and members should be chosen for their skills, expertise, willingness to work, and ability to promote the program.

What Administrative Tasks Need to Be Addressed?

Whether an existing agency is chosen as a sponsor or a new agency is created, several administrative tasks are involved in developing a new program. The following administrative tasks are described in sequence, but the order of tasks may be adapted to meet individual needs of programs.

1. *Explore Sources of Start-Up Funds.* Start-up funds are often needed for the initial expenses involved in implementing a new program such as planning, equipment, rent, and staff. In New York State in 1984, a new program was initiated which provides start-up funds for school-age child care.

   The State Department of Social Services selects programs to receive grant awards in conjunction with the Council on Children and Families, the State Education Department, the Division for Youth, and the Division of Criminal Justice Services. For information on how to apply for these funds, call the State Department of Social Services at (800) 342-3715, Ext. 4312.

   Other possible sources of start-up funding include United Way venture or develop-

mental grants, youth bureaus, foundations, civic groups, and fund raising efforts.

2. *Explore Sources of Operational Funds.* The most common source of funding for program operation is parent fees. If a program cannot be sustained on parent fees, other sources of operational funds will need to be obtained. The availability of funding options vary from one community to another. In general, many sources are limited by the availability of funding and eligibility criteria. Possible sources of operational funding include: public funds (e.g., Title XX, Title IVA, State Day Care funding) available for licensed child care through the local department of social services, municipal or county funds, United Way, local civic and philanthropic organizations, and county youth bureaus.

3. *Prepare an Operating Budget.* The operating budget establishes the parameters within which the program will provide service, determines the affordability and accessibility of the program to families, and defines the amount of money to be spent on items such as staffing, benefits, equipment, and supplies. The budget should contain annual estimated expenses and anticipated revenue. The board of directors must approve the budget, balancing itemized expenses with income.

4. *Establish Parent Fees.* The board needs to establish parent fees with attention both to the amount of income needed to meet expenses and to the affordability of such fees to parents. There are two basic types of fee structures. Flat fee scales are those in which everyone is charged the same fee while sliding fee scales are those in which different rates are charged depending on the ability of parents to pay.

   A sliding fee scale, while somewhat more difficult to manage than a flat fee, is recommended so that families who cannot afford the full fee can access the program. Sources of funds to subsidize sliding fee scales or scholarships may include special fundraising projects, public funds, or the parent fee schedule itself.

5. *Ensure That Licensing Requirements and Regulations Are Met.* In all areas of New York State except New York City, any program providing child care for more than three hours must meet licensing standards as defined by State Social Services Law. Outside of New York City, regional offices of the New York State Department of Social Services are responsible for licensing programs. A list of these regional offices is attached. In New York City, school-age child care programs are licensed by the New York City Health Department under Year Round After School and Youth Center Regulations. For the address and telephone number of this office, refer to the attached list of licensing resources.

6. *Acquire Insurance.* Fire, liability, and program vehicle coverage should be acquired and is often required. Such insurance provides protection for the program, staff, and children. Acquiring liability insurance has become a major problem for school-age child care programs as the cost of such coverage increases.

   Those programs that do not have a license because they operate for three hours or less face a special problem. In many cases, insurance companies are cancelling the liability coverage for these programs and refusing to write new policies. A number of New York State agencies, child care groups, and a commission established by the Governor are working to resolve this problem.

7. *Hire an Administrator.* This person should implement the program, manage the budget, establish program management systems, recruit and supervise the staff, and oversee the program content.

8. *Develop Personnel Policies and Write Specific Job Descriptions.* These policies should address work hours, vacation, sick time, other benefits, procedures for hiring and firing, probation, grievance procedures, and an affirmative action plan. Job descriptions should define tasks associated with each position and qualifications including education and experience. Discussion with program directors and or board members of existing age school-child care programs can simplify this task.

9. *Design Recordkeeping Systems.* A program needs to have recordkeeping systems for both financial and program management. A financial management system should include records of the collection of parent fees, the receipt of funds, approval for expenditures, and a system for reporting expenditures and income to the board. A program management system should include records for attendance, individual medical information, accidents, program activities, staff evaluations, and field trips. These systems are necessary to provide accountability to the board and oversight agencies.

10. *Hire Program Staff.* The selection and hiring of competent and qualified staff is essential to the functioning of a program. The board of directors or program administrator should hire quality staff consistent with the philosophy of the program, personnel policies, and job descriptions. In New York City, requirements for staff qualifications as promulgated by the New York City Health Department must be met, and in the remainder of the state, licensing regulations for programs operating for more than three hours require that minimum staff qualifications for education and experience be met. The Child Abuse Prevention Act of 1985 includes requirements for background checks of staff hired to work in licensed child care centers.

What Program Tasks Need to Be Accomplished?

In implementing child care services for school-age children, there are several program tasks which need to be addressed. The following order of tasks is suggested but it can be altered to meet the needs of individual communities.

1. *Contact Model Programs.* Visit existing school-age child care programs and meet with staff and board members of these programs, where possible. Such visits will provide an opportunity to learn from the experiences and knowledge of those who are already operating successful programs.

2. *Secure Program Space.* It is important to acquire program space that provides adequate indoor and outdoor areas for quality programming, and that complies with local regulations for health, fire, safety, and zoning. Those programs operating for more than three hours will need to meet state standards for licensing. Programs should be located in close proximity to schools, or the program will need to provide or make arrangements for transportation. Existing community facilities which often meet the above conditions include schools, churches, and youth agencies.

3. *Determine the Schedule of Operation.* Use information gathered in the needs assessment to define program hours and days of operation to meet the needs of working parents. Important decisions will include whether to open the program before school, how late to remain open after school, and whether to operate during the summer and other school vacation periods.

4. *Define Eligibility Criteria for the Enrollment of Children.* Such criteria should address who is eligible for care

(including ages of children) and priorities for distributing a limited number of slots.

5. *Design Program Content.* Programs designed for school-age children should be flexible and provide age-appropriate, diverse, enriching, and experiential activities. Parents and children should be involved in designing the program and its activities.
6. *Recruit Children and Publicize Program.* Programs seldom open at full capacity; typically, four to twelve months are needed to bring enrollment to capacity. September is the optimum month for a program to open, because it coincides with the school calendar and parent efforts to make child care arrangements. Recruitment of children should occur months before opening. A formal process should be developed for recruiting, enrolling, and orienting children and families into the program.

   Publicity announcing the opening of the program can be helpful in notifying parents and recruiting children. The program can be publicized through free media advertisements on television and radio. Fliers announcing the program should be passed out at schools and PTA meetings, and posters should be displayed in strategic locations. Newspaper advertising is also advisable where funds permit.

Individuals involved in planning programs should contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the name of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

Listed below are several resources and references that may provide additional and helpful information on the topic of developing a school-age child care program.

Baden, R.; Genser, L.; Levine, J. & Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House Publishing Company.

Hendon, K.; Grace, J.; Adams, D. & Strupp, A. (1977). *The After School Day Care Handbook: How to Start an After School Program for School-Age Children.* Madison, Wisconsin: Community Coordinated Child Care.

Lipsitz, J. & Lefstein, L. (1983). *3:00-6:00 P.M.: Programs for Early Adolescents.* Chapel Hill: University of North Carolina.

Neugebauer, Roger (Ed.) (1980). School Age Day Care: Getting It Off the Ground (Reprint 101). *Child Care Information Exchange.*

New York State Department of Social Services (1980). *Day Care Licensing Regulations* (Publication 1056A). Albany, New York.

New York State Department of Social Services. *Day Care Centers: Questions and Answers. Information for Groups and Individuals Interested in Organizing a Day Care Center.* Albany, New York.

Texas Department of Human Resources (1977). School Age Day Care. *Day Care for School-Agers.* Austin, Texas.

Day Care Licensing Offices

For Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, and Wyoming Counties

Contact:
New York State Department of Social Services
Buffalo Regional Office
838 Ellicott Square Building
Buffalo, New York 14203
Telephone: (716) 847-3145

For Chemung, Livingston, Monroe, Ontario, Schuyler, Seneca, Steuben, Wayne, and Yates Counties

Contact:
New York State Department of Social Services
Rochester Regional Office
259 Monroe Avenue
Rochester, New York 14607
Telephone: (716) 238-8191

For Broome, Cauyga, Chenango, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence, Tioga and Tompkins Counties

Contact:
New York State Department of Social Services
Syracuse Regional Office
351 South Warren Street, Room 204
Syracuse, New York 13202
Telephone: (315) 428-3235

For Albany, Clinton, Columbia, Delaware, Essex, Franklin, Fulton, Greene, Hamilton, Montgomery, Otsego, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington Counties

Contact:
New York State Department of Social Services
Eastern Regional Office
330 Broadway
Albany, New York 12243
Telephone: Toll Free (800) 342-3715, Extension 432-2763

For Dutchess, Nassau, Orange, Putnam, Suffolk, Sullivan, Ulster and Westchester Counties

Contact:
New York State Department of Social Services
Metropolitan Regional Office
80 Maiden Lane – Fifth Floor
New York, New York 10038
Telephone: (212) 804-1198

For New York City, contact:
New York City
Department of Health
Division of Day Care
65 Worth Street, 4th Floor – Room 452
New York, New York 10013
Telephone: (212) 334-7813

Local child care councils often provide technical assistance to programs attempting to meet licensing requirements. For information on child care councils in your area, contact the following:

New York State
Child Care Coordinating Council
16 Delaware Avenue
2nd Floor
Albany, New York 11550
Telephone: (518) 463-8663

This technical assistance paper is supported by funds granted to the Council's School-Age Child Care Project by the Division of Criminal Justice Services and the United States Department of Health and Human Services.

The Council's School-Age Child Care Project, as well as the production of this technical assistance paper, is under the direction of Fred Meservey. The principal author is Mabel Leon.

For further information, contact:

The NYS Council on Children and Families
(518) 474-6293

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 3 MAY 1986

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

Conducting a Needs Assessment for School-Age Child Care

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not is session. This technical assistance paper will outline several approaches for conducting a needs assessment. Each approach has its advantages and disadvantages, and by itself may not provide a complete assessment of community need. Therefore, where possible, those planning a program should consider using more than one method, in order to obtain a comprehensive and accurate determination of need.

What Is a Needs Assessment?

A needs assessment for school-age child care is a planning activity designed to determine the child care needs of children attending kindergarten through eighth grade during nonschool hours and to assess the extent to which existing programs meet these needs. A needs assessment should provide answers to these basic questions:

1. To what extent is there a need for a school-age child care program?
2. What existing programs and resources are now providing services to school-age children?
3. What are the gaps between needed services and existing programs?

Who Should Conduct a Needs Assessment?

As described in the technical assistance paper, "Developing a School-Age Program," a steering committee should be formed to oversee the process needed to plan and implement a program. As such, this committee should define the goals of the needs assessment, identify the types of information required, and the methods that will be used to obtain that information.

While the steering committee should oversee the needs assessment, it may want to recruit others to help carry out the actual work. Several local resources could be contacted for assistance. One or more of the following groups may be willing to take responsibility for some aspect of the assessment or may be willing to conduct or co-sponsor the needs assessment.

- Local and regional planning councils
- Youth bureaus
- Neighborhood associations
- Civic groups (e.g., League of Women Voters)
- Child care councils
- United Way
- Universities and colleges
- City and county governments
- Chambers of Commerce
- School districts
- Community action programs
- PTAs

What Information Is Already Available?

Before proceeding with a needs assessment, it is important to review available documents to see if any of the information required has been previously collected. In some cases, much of the information being sought may have been collected by an agency, community service group, or planning organization.

It is also important to review community plans that identify local needs and priorities, such as the *Consolidated Services Plan* and the *Comprehensive Youth Services Plan*, which are prepared by and are available at the local social services district and the county youth bureau, respectively. These documents often provide statistics and other valuable information that may be useful in the planning process. United Way, local planning councils, and municipal and county planning departments should also be contacted for relevant information.

How Can Information Be Collected?

There are many different methods of collecting information for a needs assessment. Relevant information can be gathered from available data, key informants, community forums, and parent surveys. Each of these methods is discussed, basic steps are noted, and the advantages and disadvantages of each are noted. Using more than one method will provide information from different sources and may enhance the accuracy of the needs assessment.

Use of Available Data

In addition to information obtained from local community and planning agencies, data indicating need are often available. The use of available data involves the collection of descriptive data from published resources. Descriptive data, such as the number of working parents with children ages 5-14, and the number of children ages 5-14, can provide general indicators of the need for school age child care. The steps involved in the use of available data approach are:

1. Define the types of information needed and identify indicators of need.
2. Identify published sources of information.
3. Compile the data into a general profile of community need and target the population of greatest need.

General demographic data are available by geographic area including Standard Metropolitan Statistical Areas, census tracts, counties, and other minor civil subdivisions through the current edition of the *U.S. Census of Population and Housing*.

The following types of relevant information are available:

- Number of children under 18;
- Number of children by age group;
- Number of single parents with children under 18;
- Number of single parents in the workforce (male and female);
- Number of married women in the workforce; and
- Income characteristics.

Census and related information is available at public libraries and from the New York State Department of Commerce, State Data Center at the following address:

Department of Commerce
One Commerce Plaza
Albany, New York 12245
Tel: (518) 474-7532

The following educational data (e.g., enrollment information) are available from the State Education Department:

- Total district enrollment;
- Enrollment by school; and
- School enrollment by grade.

This information can be obtained by writing to the following address:

Information Center on Education
Room 385 EBA
Albany, New York 12234
Telephone: (518) 474-8716

The local school district can also be contacted to request relevant data.

Advantages and Disadvantages of the Use of Available Data

ADVANTAGES	DISADVANTAGES
• Data are readily accessible • Low cost • Provides foundation to build other assessments	• Data provides indirect measure of need for child care • No information collected from potential consumers

Key Informant Approach

The key informant approach is based on gathering information from those people in the community who are in a position to know the service patterns and the needs of the community. Knowledgeable individuals should be contacted from local government, public schools (e.g., superintendent, teachers, and social workers), parent groups (e.g., PTAs), youth agencies, child care centers, departments of social services, youth bureaus, and churches. Public health nurses, police, and family court judges can also provide valuable information. These community experts should be selected on their ability to identify existing school-age child care services, related after-school services (e.g., recreation programs), and the degree to which these services are utilized.

The steps involved in the key informant approach are:

1. Identify the type of information needed. This should include factors which affect program attendance and utilization, such as available program locations, transportation, sliding fee scales, and eligibility requirements.
2. Develop a questionnaire or interview instrument that will yield necessary information.
3. Identify and select people in the community who can provide the information.
4. Gather the information. Interviews can be conducted by telephone, by written questionnaire, or in person. Usually, however, key informant surveys are conducted in face-to-face interviews because such interviews enable respondents to elaborate more fully.
5. Analyze the information summarizing existing school-age child care programs

and related after school services, their utilization, factors affecting utilization, and impressions of need.

6. Set up a meeting to bring together key people after the information has been analyzed and assembled to discuss findings and generate solutions.

Advantages and Disadvantages of Key Informant Approach

ADVANTAGES	DISADVANTAGES
• Relatively simple and inexpensive to carry out • Allows input from different individuals with different perspectives • A summary meeting can encourage broad discussion of need and services and generate enthusiasm for action	• Based on perception of need rather than documented need • May not represent an accurate appraisal of needs • Key individuals may not be aware of community needs with which they have no contact • Potential bias toward particular programs with which informant works or is knowledgeable

Community Forum

A community forum is a method of assessing needs through a series of public meetings. Residents are invited to these meetings to express their beliefs about needs and services in their community. A public forum or public hearing is most appropriate if the steering committee wants to use public opinion to give publicity and support to efforts directed at identifying needs.

In order to stimulate community awareness and to encourage broad community participation, it is helpful to seek the involvement of community leaders. A variety of strategies exist to promote the participation of community leadership, including having the forum sponsored by an established and reputable agency, or having the forum chaired by a well-known community figure. The steps involved in a community forum are:

1. Define the type of information needed and design the structure of the forum to meet this goal. Identify questions and issues to be discussed at the forum.
2. Set up a forum or a series of forums which would be convenient and accessible to a broad range of people. Large meetings are often not conducive to communication and interchange, so a series of small meetings may be preferable.
3. Provide extensive publicity through media, newspapers, leaflets, posters, and sometimes mass mailings, in addition to personal telephone calls. The results of the forum will be more credible if it is well attended and representative of the community.
4. Designate a specific time limit (e.g., 5 to 10 minutes) for each person if the forum is a public hearing.
5. Develop a specific agenda and an associated process if the forum is conducted as an open meeting. A planned agenda and group process will ensure the fullest participation of people and promote an orderly meeting which focuses on the issues that need to be addressed.
6. Summarize information and finalize in a report.

Advantages and Disadvantages of Community Forum

ADVANTAGES	DISADVANTAGES
• Inexpensive to conduct • Allows citizen participation from diverse segments of the community • Provides a mechanism to identify interested citizens who will continue working on the project and identifies potential consumers of the service	• Provides incomplete perception of needs due to partial representation of the community • May heighten expectations of group or community in unrealistic manner • Provides impressionistic information which is not amenable to systematic analysis • Information may not be accurate or representative of real needs • Time consuming to organize

Survey Approach

The survey approach refers to data collection from a sample or entire population using an interview instrument or a questionnaire. This approach is based on the premise that the needs of families can best be assessed by asking them directly. A sample parent survey is attached and may serve as a guideline for community groups.

It is important to enlist the cooperation of other organizations and agencies before beginning a survey. Schools, in particular, can provide guidance and support, and legitimize the efforts to collect information from parents. The steps involved in the survey approach are:

1. Identify the type of information needed and the population to be surveyed (e.g., parents of children aged 5-13).
2. Design the questionnaire. (See sample survey attached.)
   a. Questions should be clearly stated and limited only to those that will yield necessary information. In designing questions, consideration of how data will be analyzed and used is important.
   b. Questions may be either open-ended, for which the response is not restricted, or fixed alternative, for which an answer is chosen from a limited number of choices. Fixed alternative questions are easier to categorize and analyze, but do not permit as complete a response as open-ended questions. In developing fixed alternative questions, choices should be clear and include all possibilities with no overlap of answers. An "other" category with space to write specific responses may provide additional useful information.
   c. Specific questions must be included to distinguish among those parents who have general interest, those who have particular needs, and those who are expressly willing to use and pay for the service.
3. Select the sample.

   The most accurate method is to ask every individual in the defined population. For school-age child care programs, this would involve a survey of all parents of school-age children. Such an approach may not be feasible given limited resources.

   If you cannot survey every family in a defined geographic area, then it would be necessary to select a representative sample. Selection of a sample that accurately represents the total population is a most important and difficult task and may require consultation with someone who has expertise in research methods. Such persons can often be found at community colleges or universities.

   A common strategy is to direct a parent survey to the parents of just one elementary school. However, needs from one school do not necessarily generalize to all schools in the district.

4. Conduct the survey.
   a. Determine the method of survey administration based on available resources and the quantity and quality of responses desired. The various methods of survey administration are described below:
      – Person-to-person interviews have a high response rate and provide an opportunity for clarification of questions and fuller responses. This method is expensive and typically is based on a smaller sample. Further, it tends to be labor intensive, and in areas with many non-English speaking families, bilingual interviewers will be required.
      – Telephone interviews are relatively inexpensive but require a coordinated group of volunteers or staff. The response rate is high but may have an inherent bias. For example, it would be impossible to contact low income families who do not have telephones in their homes. Evening calls will be necessary to reach working parents. As with face-to-face interviews, bilingual interviewers would be necessary in areas of non-English speaking families.
      – Mail-out questionnaires are among the most efficient methods of surveying families. With relatively little labor, it is possible to reach a large number of people. However, the response rate tends to be low and mailing costs may be expensive. The response rate can be increased by enclosing a self-addressed envelope, by follow-up calls to respondents, or by sending postcards to remind them to return questionnaires.
      – Questionnaires handed to children in schools is a relatively inexpensive method and is the most common mechanism used in assessing the need for specific school-age programs. However, the return rate is often dependent on the interest level of the principal and teachers, and the reliability of children in giving questionnaires to parents.
   b. Provide extensive publicity prior to distributing a questionnaire or setting up interviews. Parents are more likely to respond to a survey if they have heard about it previously and it appears credible.

      A cover letter explaining the purpose of the study, who to contact with questions, and signed by a prominent citizen, school official, or community leader should accompany the survey. The letter should clearly indicate that a program is not presently operating and that the information being gathered will be used to plan a program, only if there is an apparent need. A form should be attached to the cover letter for parents to indicate their interest in planning the program or for receiving information in the future. Such a form should be separate from the survey and should request the parent's name, address, and telephone number.
5. Analyze the data.

   This is primarily a process of computing results which will determine to what extent there is a need for school-age child care. The most basic form of data analysis is simple counting of the responses to each question. The least technical way to prepare data for analysis is the use of tally sheets which are set up so that each question is listed with alternative responses. Each question is manually tallied and the totals summed. Open-ended questions will have to be categorized and coded before tabulating results.

   If more sophisticated data analyses are required, then it may entail the use of a computer. A computer makes it relatively easy to carry out computations in a more systematic manner. The use of a computer will require that data be coded and mechanically entered into the computer system. If the analysis of data requires complex sta-

tistical computations, it may be necessary to refer to a statistics book or to consult with a professional with expertise in this area.

6. Summarize and present the findings to the community.

Advantages and Disadvantages of Survey Approach

ADVANTAGES	DISADVANTAGES
• Provides the most reliable and valid information about individual needs when carefully designed and conducted • Provides specific information for program development	• Involves more work and expense than other methods • Depends on the cooperation of people to supply information and return questionnaire

Summary of Four Methods for Collection of Information

Four methods have been discussed for assessing the need for school-age child care. Each method can be used separately or in combination with other methods.

- A generalized picture of community need can be obtained from published resources (Use of Available Data).
- Impressions of utilization of existing programs and impressions of the general need for school-age child care can be obtained from service providers and key community leaders (Key Informant Approach).
- Impressions of program use and the need for child care can be gathered from the public at large in open community meetings (Community Forums).
- Specific information can be gathered directly from parents regarding their current child care needs (Parent Survey).

It is recommended that community groups make use of as many different methods as possible in an effort to gather comprehensive information regarding the need for school-age child care.

How Should the Findings of a Needs Assessment Be Used?

Regardless of the method(s) used, the data from different sources should be analyzed, interpreted, and presented in a summary fashion with recommendations to key persons and groups in the community. The findings should document unmet needs. This needs assessment should clarify the problems of a community, define the population in need, and suggest directions to follow in creating solutions.

The profile of need will vary from one community to another as will the possible solutions. A community may discover that there are unmet needs and underused resources. This may indicate a need to publicize programs, to broaden eligibility criteria for existing programs, or to provide transportation services to make programs more accessible. Another community may discover that services are insufficient to meet the needs for school-age child care, thereby suggesting that a new program should be developed. In each case, the needs assessment is an important mechanism for indicating an appropriate course of action.

A needs assessment can be an important means for broadening support for a program in the community and for bringing additional people into the planning process. The actual documentation of unmet needs will answer possible opposition, provide data for funding requests, and supply necessary information for the program design and schedule of operation. The steering committee overseeing the needs assessment should be responsible for the implementation of the recommendations and should move forward with an action plan to meet the child care needs of school-age children in the community.

Individuals involved in planning programs should contact knowledgeable people who have already established programs to learn from their experiences. For a list of available papers and the name of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

Listed below are several resources and references that may provide additional information on the topic of conducting a needs assessment for school-age child care.

Babbie, E. (1979). *The Practice of Social Research, 2nd Edition.* Belmont, California: Wadsworth Publishing Company, Inc.

Baden, R.; Genser, A.; Levine, J. & Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House Publishing Company.

Center for Social Research and Development (1974). *Analysis and Synthesis of Needs Assessment Research in the Field of Human Services.* Denver, Colorado: Denver Research Institute, University of Denver.

Epstein, I. & Tripodi, T. (1977). *Research Techniques for Program Planning, Monitoring, and Evaluating.* New York: Columbia University Press.

Hargreaves, W.; Attkisson, C.; Siegel, L. & McIntyre, M. (1974). *Resource Materials for Community Mental Health Program Evaluation: Part II Needs Assessment and Planning.* San Francisco, California: National Institute of Mental Health.

Hendon, K.; Grace, J.; Adams, D. & Strupp, A. (1977). *The After School Day Care Handbook: How To Start An After School Program for School-Age Children.* Madison, Wisconsin: Community Coordinated Child Care.

Kimmel, W. (1977). *Needs Assessment: A Critical Perspective.* Washington, D.C.: Office of Program Systems, Department of Health, Education, and Welfare.

Smith, G. (1962). *A Simplified Guide to Statistics for Psychology and Education,* 3rd Edition. New York, New York: Holt, Rinehart, and Winston, Inc.

Warheit, G.; Bell, R. & Schwab, J. (1977). *Needs Assessment Approaches: Concepts and Methods. Rockville, Maryland: National Institute of Mental Health.*

Do not remove from book. Please photocopy.

This technical assistance paper is supported by funds granted to the Council's School-Age Child Care Project by the Division of Criminal Justice Services and the United States Department of Health and Human Services.

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Parent Survey

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This parent survey will assess the need for school-age child care in our school.

Please fill out one questionnaire for your child(ren) attending _____ school.

1. How many children do you have in this school who need care before or after school?_____

2. Would you send your child(ren) to a supervised school-aged child care program if such a program was started?

   ☐ Yes ☐ Maybe ☐ No

   If yes or maybe, continue; if no, stop here.

3. For every child that you would send to a school-age child care program, check the grade(s).

   ☐ K ☐ 3 ☐ 6
   ☐ 1 ☐ 4 ☐ 7
   ☐ 2 ☐ 5 ☐ 8

4. When would care be needed? (Check all that apply.)

   ☐ Before School ☐ School Vacations
   ☐ After School ☐ Summer
   ☐ School Holidays ☐ Before of After Kindergarten

5. If you need child care before school, how early would you need it?

   ☐ 6:30 a.m. ☐ 7:30 a.m. ☐ 8:30 a.m.
   ☐ 7:00 a.m. ☐ 8:00 a.m.

6. If you need child care after school, how late do you need care?

   ☐ 4:30 p.m. ☐ 5:30 p.m. ☐ 6:30 p.m.
   ☐ 5:00 p.m. ☐ 6:00 p.m.

7. Of the following activities, please check five that you feel would be most important for your child to participate in.

   ☐ Sports & Physical Play
   ☐ Drama
   ☐ Homework
   ☐ Creative Activity (e.g., art)
   ☐ Music
   ☐ Free Play
   ☐ Construction Activity
   ☐ Cooking
   ☐ Leisure Reading & Library Activities
   ☐ Creative Writing
   ☐ Tutoring
   ☐ Dance & Movement
   ☐ Exploration Activities
   ☐ Field Trips
   ☐ Informal Socialization
   ☐ Other

   _____ _____
   _____ _____
   _____ _____
   _____ _____
   _____ _____

8. Do any of your children whom you would consider enrolling in a school-age child care program have special needs (e.g., visually handicapped, hearing impaired, physically handicapped)?

   ☐ Yes ☐ No

   Please indicate _____

   _____

9. Collection of parent fees will be necessary to provide funds for a school-age program. Please indicate the amount you are willing to pay weekly per child.

   ☐ under $15 ☐ $30 - $34
   ☐ $15 - $19 ☐ $35 - $39
   ☐ $20 - $24 ☐ $40 - $45
   ☐ $25 - $29 ☐ over $45

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 4 MAY 1987

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When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

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Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

Legal Options for Establishing a School-Age Child Care Program

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper describes the legal options available to school-age child care programs in regard to issues of incorporation and profit/not-for-profit status.

This paper will present legal options for programs in other than a home setting. The New York State Department of Social Services' regulations for family day care or group family day care may apply to care provided in the home setting depending on the number of children served, the hours of operation and the location of the program.

One of the major decisions facing groups interested in starting a school-age child care program relates to the legal status of such a program. In particular, a group must decide from the available options whether to incorporate or not, whether to choose profit or not-for-profit status, and whether to affiliate with an existing agency or establish a new one. In general, the options are

- affiliation with an existing agency
- formation of a not-for-profit agency
- formation of a for-profit corporation
- establishment of an unincorporated structure

Depending on the nature of the community and the persons involved in creating the program, any of the structures discussed may be possible for a school-age child care program. However, in most cases, school-age child care programs are not established to make a profit. As such, they usually are affiliated with an existing not-for-profit organization or created as a new not-for-profit corporation. It is useful to contact existing school-age child care programs and to seek the guidance of a lawyer in choosing an option best suited to your specific program.

Affiliation With an Existing Agency

The first option a group may choose is to become affiliated with an existing agency. An existing agency whose corporate purposes, as stated in its certificate of incorporation, are sufficiently broad to include child care, may agree to add the administration of a school-age child care program to its present functions. Organizations such as YWCA's, YMCA's, Boys Clubs, Girls Clubs, day care centers, schools, or community centers are often willing to sponsor school-age child care programs. Although school-age child care programs could affiliate with either for profit or not-for-profit corporations, they are typically associated with not-for-profit agencies.

Affiliation With an Existing Agency

ADVANTAGES	DISADVANTAGES
• Sponsorship by an existing agency will eliminate the time, energy, and work involved with incorporating a new agency. • An existing agency may be able to offer in-kind support to the program in shared resources such as overhead expenses, staff training, space, and equipment, and is often capable of attracting funds for the program. • The benefits of a not-for-profit corporation would already be provided by an existing not-for-profit agency. (See advantages of a not-for-profit corporation in the following section.)	• The school-age child care program may have to modify its goals to reflect the mission or goals of the existing agency. • The original group interested in school-age child care may no longer be involved in program decisions.

Formation of Not-for-Profit Corporations

The second alternative is to form a new entity and incorporate. Most groups choosing this option incorporate their program as a not-for-profit corporation. A not-for-profit corporation is a legal entity dedicated to public service in which no individual member or group can benefit financially from the program operation. Therefore, any income generated from such a program must be used only to support the defined purpose of the corporation for such expenses as salaries, supplies, equipment, or scholarships.

To establish a not-for-profit corporation, a certificate of incorporation must be filed with the New York State Secretary of State. A certificate of incorporation defines the purpose of the not-for-profit corporation and its powers under state law. The incorporation of a school-age child care program as a not-for-profit agency involves a series of legal steps which are discussed in a separate paper.

A not-for-profit corporation is governed by a board of directors. While serving as a board member entails substantial responsibilities, the corporation has a legal existence separate from the individual members of the board, and the structure of this corporation provides limited personal liability for these individuals.

Not-for-Profit Corporations

ADVANTAGES	DISADVANTAGES
• A not-for-profit corporation is often eligible for government funds which may not be available to other entities and is more likely to receive charitable contributions than other entities. • Individuals are not liable for financial obligations of the corporation except in cases of fraud, misconduct, or nonpayment of withholding taxes. • Incorporation provides a structure and uniform set of rules for operation through the incorporation certificate and the bylaws. • Incorporation provides financial credibility for conducting business with banks and vendors and for obtaining credit.	• A significant amount of time and energy must be directed to the complex process of incorporating. • Efforts must be directed to develop relationships with existing community and funding agencies.

Formation of For-Profit Corporations

While most programs that choose to incorporate do so as not-for-profit corporations, another possible option is to incorporate with a for-profit status. A for-profit corporation is a legal entity composed of shareholders. A certificate of incorporation is prepared and filed with the New York State Secretary of State. This certificate defines the rights and duties of the corporation under the state law. The basic premise of a profit corporation is that the profits of the corporation are divided among the shareholders.

The structure of the corporation provides a legal existence separate from individual shareholders and provides limited personal liability for these individuals. Shareholders can transfer their shares by gift or sale without affecting the life of the corporation.

For-Profit Corporations

ADVANTAGES	DISADVANTAGES
• Individuals are not liable for financial obligations of the corporation except in cases of fraud, misconduct, or nonpayment of withholding taxes.	• Such corporations must pay taxes on profits and are not eligible for federal tax-exempt status.
• Incorporation provides a structure and uniform set of rules for operation through the incorporation certificate and the bylaws.	• Filing fees for incorporation are more expensive than for not-for-profit corporations.
• Incorporation provides financial credibility for conducting business with banks and vendors and for obtaining credit.	• For-profit corporations are less likely to receive charitable donations and in-kind contributions such as donated program space.
• Profits gained from program operation can be distributed to shareholders.	• For-profit corporations may be ineligible for public funds.

Similar to not-for-profit corporations, a board of directors is legally responsible for the operation of a for-profit corporation. The financial status of a for-profit corporation must be reported quarterly and annual tax returns are required by the state and federal governments.

Establishment of Unincorporated Structures

Another possible option includes a variety of unincorporated structures for school-age child care programs. These structures include a business operated by one person, partnership arrangements, and an unincorporated organized group. While these structures are easier to form, persons operating under unincorporated structures are vulnerable to personal liability in financial and legal areas. Each arrangement will be defined and the advantages and disadvantages listed together.

Sole proprietorship refers to a business which is owned by one person. New York State General Business Law requires that the name of an organization be registered with the clerk of each county in which business is conducted. This document, entitled "The True Name Certificate," specifies who is the owner of the business in the event any dispute arises such as nonpayment of a bill or a suit involving an injury.

A general partnership refers to two or more individuals associated for reasons of running a business based on equality for each party. In a general partnership, there is equal responsibility for all debts. A True Name Certificate must be filed with the county clerk in each county where this partnership conducts business.

Unincorporated Structures

ADVANTAGES	DISADVANTAGES
• Unincorporated structures are easier to form.	• Individuals associated with these structures are personally liable for debts of the program.
• A minimum of paper work and governmental procedures are involved with unincorporated structures.	• These structures are less likely to receive charitable donations and are not eligible for tax-exempt status.
• There are few defined procedures and rules for operation, allowing flexibility and convenience in decision-making.	• Certain public funds are not available to such groups and individuals.
• Tax forms are filled out to reflect individual income, simplifying financial reporting.	• An unincorporated structure is less credible in legal or business affairs. Banks, vendors, and landlords may be less willing to deal with or extend credit to an unincorporated structure.

A limited partnership involves at least one general partner and at least one limited partner. A limited partner is responsible for debts and other obligations to the extent of the original contribution of assets. For the general partner in this arrangement, there is no limit to his or her responsibility for debts. A Limited Partnership Certificate needs to be filed with the county clerk in each county where business is conducted.

A defined and written partnership agreement is desirable although not legally required for both general and limited partnerships. This agreement should address profits and losses, capital contributed, responsibility, bookkeeping methods, and

the terms of dissolution or transfer of the partnership. In a limited partnership, it is advisable to draw up a legal partnership agreement and then fill out the Limited Partnership Certificate to reflect this agreement.

Unincorporated Association refers to an organized group with a common goal. It is not a legal entity and has no legal existence apart from its members. The group is required to register its name in each county where business is conducted.

For More Information

Individuals involved in planning programs should obtain resource materials and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the names of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

Listed below are several resources that may provide additional information on the topic of appropriate legal structures for a school-age child care program.

Baden, R., Genser, A., Levine, J., and Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House.

Council of New York Law Associates, Volunteer Lawyers for the Arts and Community Law Offices. (1978). *The New York Not-For-Profit Organization Manual.* New York: Author.

Kotin, L., Crabtree, R., and Aidman, W. (1981). *Legal Handbook for Day Care Centers.* Washington, DC: U.S. Department of Health and Human Services.

This technical assistance paper is supported by funds granted to the Council's School-Age Child Care Project by the Division of Criminal Justice Services and the United States Department of Health and Human Services.

The Council's School-Age Child Care Project, as well as the production of this technical assistance paper, is under the direction of Fred Meservey. The principal author is Mabel Leon.

Robert Frawley and Frank Bogardus of the NYS Council on Children and Families assisted in the development of these materials. Clerical and staff support were contributed by Lisa Morin, Pat Dotterer, and Karen Chavis.

In addition, we would like to acknowledge the assistance of the interagency team composed of staff from DSS, SED, DFY, and DCJS. We would also like to express our appreciation to the staff of the Internal Revenue Service, New York State Department of Labor, and the New York State Department of Taxation and Finance for their review of the information.

For further information contact: ***The NYS Council on Children and Families***
(518) 474-6293

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 5 MAY 1987

Incorporating a School-Age Child Care Program as a Not-For-Profit Agency

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper outlines the process of incorporation and provides guidelines for the incorporation of a school-age child care program in New York State. A sample Certificate of Incorporation as well as a list of Department of Social Services Regional Family and Children's Services Offices are attached.

While this paper is designed to assist community groups through the incorporation process, it is advisable to recruit an attorney to oversee the process and serve on the steering committee. Further, an ample amount of time should be allotted for this process. In addition, it is useful to contact other incorporated school-age child care programs for their guidance.

What Steps Should Be Taken Prior to Filing for Incorporation?

1. *Name the Corporation* - Prior to filing a Certificate of Incorporation, the selected name of the corporation must be filed with the New York State Secretary of State to ensure that the name is not already in use. The Division of Corporations and State Records at the Department of State should be contacted at (518) 474-6200. If the name is currently in use, another name must be selected. If it is not in use, it may be reserved for a period of 60 days upon application and payment of a $10.00 fee. The name reservation may be extended for up to two additional 60-day periods.

2. *Determine the Purpose of the Corporation* - The purpose of the corporation should be defined to include the provision of child care. In order to achieve tax-exempt status, the stated purpose must be consistent with Internal Revenue Service regulations. A separate technical assistance paper addresses tax-exempt status.

3. *Establish the Duration of the Corporation* - For school-age child care programs that will apply for day care licensure, the New York State Department of Social Services requires that the initial duration of the corporation shall be for five years and shall not be extended without prior written approval from the Department of Social Services. For school-age child care programs that are not licensed, the duration of the corporation does not need to be mentioned and its existence will be perpetual.

4. *Identify the Persons Who Will Act as the Initial Board of Directors* - The names and addresses of the initial board of directors need to be included in the Certificate of Incorporation. This board exists on an interim basis and will be responsible for developing bylaws for the corporation. After the bylaws are in place, an official board must be elected according to the selection procedures established in the bylaws.

The Not-for-Profit Corporation Law requires the board of a corporation to

have a minimum of three directors and, for licensed programs, the State Department of Social Services recommends a minimum of seven directors. Each director named on the certificate must be at least 18 years of age.

5. *Name of the Incorporators* - One or more persons at least 18 years of age will be required to sign the Certificate of Incorporation. The incorporators will need to execute the Certificate of Incorporation and will be responsible for corporate activities until a board of directors is selected in accordance with the bylaws.

What Are the Steps in the Incorporation Process?

1. *Complete the Certificate of Incorporation* - The Certificate of Incorporation should be completed to reflect the decisions referred to above. A Certificate of Incorporation form (S534) is available at stationery and legal supply stores. After the certificate is completed, it must be signed and notarized. A sample Certificate of Incorporation is attached to provide a concrete example of a completed certificate.

2. *Submit the Certificate of Incorporation to the State Department of Social Services* - Those programs which are required to be licensed must have their certificate approved by the State Department of Social Services to determine if the requirements of the Not-For-Profit Corporation Law are met. In addition, the program component of the corporation must be reviewed by the Regional Family and Children's Services Office of the Department.

   In order to obtain State Department of Social Services approval, the necessary documentation should be sent to the appropriate regional office (see attached list) as well as the Division of Legal Affairs at the following address:

   Division of Legal Affairs
   State Department of Social Services
   40 North Pearl Street
   Albany, New York 12243

   This documentation includes: the Certificate of Incorporation; the address of the corporation; the names and addresses of the board members; supporting information relating to the public need for such service; staff titles, qualifications, and proposed hours of work; and a statement that no board member is an employee of the corporation. An application form for approval of the Incorporation Certificate is used by some Regional Family and Children's Services Offices of the State Department of Social Services.

   Any group seeking the approval of a Certificate of Incorporation should take advantage of a pre-application conference offered by the staff of the Department of Social Services. This usually involves a telephone review of material submitted. Questions regarding incorporation can be clarified by contacting the Division of Legal Affairs, Department of Social Services at (518) 474-9774.

   Those programs which are not required to be licensed do not need an approval from the State Department of Social Services but must request a waiver form this approval. These programs should request such a waiver directly from the Division of Legal Affairs, New York State Department of Social Services.

3. *Submit the Approved Certificate of Incorporation to the Office of the Attorney General* - The Certificate of Incorporation and the approval or waiver from the Department of Social Services should be submitted to the Attorney General's Office at the following address:

   State of New York
   Department of Law
   Justice Building
   Albany, New York 12224

   The Certificate of Incorporation should also be sent to the New York State Supreme Court Justice from the judicial district in which the corporation will operate. For the appropriate address, call the Court Clerk of the Supreme Court in your local telephone directory.

   The Attorney General has ten days to contest the approval. If the Attorney General does not object, or if a waiver of objections is issued, the Justice will consider the approval of the Certificate of Incorporation.

4. *Submit Approved Certificate to the Secretary of State* - The original Certificate of Incorporation and attached statements of approval should be sent with the current filing fee to the Secretary of State at the following address:

   New York State
   Department of State
   Corporations Division
   155 Washington Avenue
   Albany, New York 12210

   The current filing fee of $60.00 must be included as a certified check, money order, or attorney's check. The Secretary of State will issue a filing receipt to be retained by the organization. Licensed programs should send a copy of this receipt to the State Department of Social Services' Regional Family and Children's Service, Supervisor of Day Care Licensing.

A useful set of resource materials on incorporation is available from the Office of Business Permits and Regulatory Assistance and can be obtained by writing to:

Office of Business Permits and Regulatory Assistance
Executive Department
State of New York
Alfred E. Smith Building
17th Floor
Albany, New York 12225

For Further Information

Individuals involved in planning programs should obtain resource material and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the names of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

Listed below are resources that may provide additional information on the topic of school-age child care.

Baden, R., Genser, A., Levine, L., and Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House.

Brooklyn In Touch Information Center, Inc. (1981). *Forming and Operating a Not-for-Profit Organization.* Brooklyn, NY: Author.

Council of New York Law Associates and Volunteer Lawyers for the Arts and Community Law Offices. (1978) *The New York Not-for-Profit Organization Manual.* New York: Author

Hummel, J. (1981). *Starting and Running a Non-Profit Organization.* Minneapolis, MN: University of Minnesota Press.

Kotin, L., Crabtree, R., and Aidman, W. (1981). *Legal Handbook For Day Care Centers.* Washington, DC: U.S. Department of Health and Human Services.

Murray, K. (1981). *501(c)3 Tax Exempt Status and How to Get It.* San Francisco, CA: Child Care Law Project.

YMCA of Greater New York and Council of New York Law Associates. (1982). *The Legal and Regulatory Affairs Manual: A Guide for New York Not-for-Profit Organizations.* New York: Author.

Blumbergs Law Products

A 191—Certificate of Incorporation: Not-for-Profit Corporation Law: 2-87
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Certificate of Incorporation

of

Defreest Day Care Center

under section 402 of the Not-for-Profit Corporation Law

IT IS HEREBY CERTIFIED THAT:

(1) The name of the corporation is the Defreest Day Care Center

(2) The corporation is a corporation as defined in subparagraph (a)(5) of section 102 (Definitions) of the Not-for-Profit Corporation Law.

(3) The purpose or purposes for which the corporation is formed are as follows:

a. to provide child care to three or more children for three or more hours per day to enable parents or guardians to be gainfully employed. The program will include a varied education and enrichment experience, and enrollment will be open to the general public.

b. the purpose of the corporation shall include the establishment and operation of one or more day care centers as defined by Section 390 of the Social Services Law; provided, however, before each such day care center shall be established and operated, the prior written approval of the Department of Social Services shall be obtained.

c. in order to obtain the aforementioned purposes, the Corporation shall have the following powers:

1. to organize, implement and operate a child care program;

2. to solicit, collect, accept and otherwise by bequest, devise, gift, grant, purchase or otherwise, property of any sort, without limitation to amount, kind or value, and to use, disburse, or donate the income or principal thereof exclusively for the purposes hereinbefore stated;

3. to receive assistance from the State and/or Federal Government, municipalities or any persons, firm or corporation, by contract or otherwise;

4. the Corporation shall not have the power to provide or perform any health or medical service or to practice medicine in any manner whatsoever as that term is defined by Article 44 of the Public Health Law entitled "Non-Profit Medical Corporation," or as defined by Article 131 of the Education Law; and

5. the Corporation shall have the power to do any other act or thing incidental to or connected with the aforesaid purposes or in advancement thereof; provided, however, the Corporation shall engage in no activity for which the consent or approval of a duly authorized state or local agency is required without having first obtained the said consent or approval.

6. the Corporation shall not have the power to issue certificates of stock or to declare or to pay dividends and shall be operated exclusively for the purposes enumerated in this section.

d. The duration of the power to establish and operate day care centers shall be for the period of five years from the date the certificate is filed in the Office of the Secretary of State and such duration shall not be extended without the prior written approval of the Department of Social Services.

The corporation in furtherance of its corporate purposes above set forth, shall have all the powers enumerated in section 202 of the Not-for-Profit Corporation Law, subject to any limitations provided in the Not-for-Profit Corporation Law or any other statute of the State of New York. Nothing herein shall authorize this corporation, directly or indirectly, to engage in, or include among its purposes, any of the activities mentioned in Not-for-Profit Corporation Law, section 404 (a)-(g) (c)-(u)

SAMPLE

(4) The corporation shall be a Type B *corporation pursuant to section 201 of the Not-for-Profit Corporation Law. (In the case of Type A, B and C corporations set forth the names and addresses of at least 3 initial directors. Type C corporation must set forth the lawful public or quasi-public objective which each business purpose will achieve.)*

The number of directors of the Corporation shall be not less than three. The names and addresses of the initial directors of the Corporation until the first annual meeting are:

Leon Meservey, 121 Old Post Road, West Sand Lake, New York 12145
Dean Doolittle, RD #1, Averill Park, New York 12145
Barbara Aman, Best Luther Road, North Greenbush, New York 12145

Each of the subscribers hereto is of the age of eighteen years or over and each person named as Director is of the age of eighteen years or over.

SAMPLE

(5) The office of the corporation is to be located in the County of Rensselaer, *State of New York.*

(6) The Secretary of State is designated as agent of the corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the corporation served upon him is

Jacob Turner, Esq.
Attorney at Law
100 State Street
Albany, New York 12207

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or any of its dealers. Reproduction prohibited.

(7) State and Federal exemption.

State and Federal exemption language for Type B and C corporations seeking tax exemption.

Notwithstanding any other provisions of these articles, the corporation is organized exclusively for one or more of the purposes as specified in §501(c)(3) of the Internal Revenue Code of 1954, and shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal income tax under IRC §501(c)(3) or corresponding provisions of any subsequent Federal tax laws.

No part of the net earnings of the corporation shall inure to the benefit of any member, trustee, director, officer of the corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation), and no member, trustee, officer of the corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation.

No substantial part of the activities of the corporation shall be carrying on propaganda, or otherwise attempting to influence legislation [except as otherwise provided by IRC §501(h)] or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidates for public office.

In the event of dissolution, all of the remaining assets and property of the corporation shall, after necessary expenses thereof, be distributed to another organization exempt under IRC §501(c)(3), or corresponding provisions of any subsequent Federal tax laws, or to the Federal government, or state or local government for a public purpose, subject to the approval of a Justice of the Supreme Court of the State of New York.

In any taxable year in which the corporation is a private foundation as described in IRC §509(a), the corporation shall distribute its income for said period at such time and manner as not to subject it to tax under IRC §4942, and the corporation shall not (a) engage in any act of self-dealing as defined in IRC §4941(d), retain any excess business holdings as defined in IRC §4943(c), (b) make any investments in such manner as to subject the corporation to tax under IRC §4944, or (c) make any taxable expenditures as defined in IRC §4945(d) or corresponding provisions of any subsequent Federal tax laws.

SAMPLE

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IN WITNESS WHEREOF, the undersigned incorporator, or each of them if there are more than one, being at least nineteen years of age, affirm(s) that the statements made herein are true under the penalties of perjury. Dated 19

LEON MESERVEY
Type name of incorporator

Signature

121 Old Post Rd., West Sand Lake, NY 12145
Address

DEAN DOOLITTLE
Type name of incorporator

Signature

RD #1, Averill Park, NY 12145
Address

I, the undersigned Justice of the Supreme Court of the State of New York *Judicial District, do hereby approve the foregoing Certificate of Incorporation.*

Dated

J. S. C.

SAMPLE

Certificate of Incorporation

of

under Section 402 of the Not-for-Profit Corporation Law

Filed By:

Office and Post Office Address

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Notes Relating to the Sample Certificate of Incorporation

Licensed Programs Outside of New York City

The sample Certificate of Incorporation is applicable to school-age child care programs that provide care to three or more children for more than three hours a day. Those programs outside of New York City are required to be licensed by the State Department of Social Services.

Unlicensed Programs

Programs that operate for three hours or less outside New York City are not required to be licensed. The following sections of the Certificate of Incorporation should be changed if the corporation being formed will operate such a program.

Section 3a. Reference the number of hours.

Section 3b. This section must be rewritten as follows:

> b. The purpose of the corporation shall include the establishment and operation of one or more child care programs for three or more children for three hours or less per day.[1]

Programs in New York City

Programs in New York City which meet on a daily basis for less than 24 hours per day and provide care for ten or more enrolled children between the ages of six and eighteen on a year-round or perennial basis are required to meet Section 48-A of the Health Code of the New York City Health Department. Such programs must have their Certificate of Incorporation approved by State Department of Social Services through the Metropolitan Regional office. The following section of the sample Certificate of Incorporation will need to be rewritten to reflect regulations applicable to programs in New York City

Section 3b. The purpose of the corporation shall include the establishment and operation of one or more after-school and or youth center programs as defined by Section 48-A of the New York City Health Department.

[1] *Such unlicensed programs must request and receive a waiver from the State Department of Social Services in order to obtain approval of their Certificate of Incorporation.*

Regional Family and Children's Services Office State Department of Social Services

For Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, and Wyoming Counties

Contact:
New York State Department of Social Services
Buffalo Regional Office
838 Ellicott Square Building
Buffalo, New York 14203
Telephone: (716) 847-3145

For Chemung, Livingston, Monroe, Ontario, Schuyler, Seneca, Steuben, Wayne, and Yates Counties

Contact:
New York State Department of Social Services
Rochester Regional Office
259 Monroe Avenue
Rochester, New York 14607
Telephone: (716) 238-8191

For Broome, Cauyga, Chenango, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence, Tioga and Tompkins Counties

Contact:
New York State Department of Social Services
Syracuse Regional Office
351 South Warren Street, Room 204
Syracuse, New York 13202
Telephone: (315) 428-3235

For Albany, Clinton, Columbia, Delaware, Essex, Franklin, Fulton, Greene, Hamilton, Montgomery, Otsego, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington Counties

Contact:
New York State Department of Social Services
Eastern Regional Office
330 Broadway
Albany, New York 12243
Telephone: Toll Free (800) 342-3715, Extension 432-2763

For Dutchess, Nassau, Orange, Putnam, Suffolk, Sullivan, Ulster and Westchester Counties

Contact:
New York State Department of Social Services
Metropolitan Regional Office
80 Maiden Lane – Fifth Floor
New York, New York 10038
Telephone: (212) 804-1198

For New York City[2] please contact:

New York City Department of Health
Bureau of Day Camps and Recreation
93 Worth Street, 10th Floor
New York, New York 10013
Telephone: (212) 566-7763

[2] *Child Care programs in New York City must contact the Metropolitan Regional Office regarding the Certificate of Incorporation.*

This technical assistance paper is supported by funds granted to the Council's School-Age Child Care Project by the Division of Criminal Justice Services and the United States Department of Health and Human Services.

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(518) 474-6293

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 6 MAY 1987

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

Tax-Exempt Status of School-Age Child Care Programs

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper will present procedures and criteria for obtaining tax-exempt status.

Tax-exempt status is determined by criteria established by the federal government and enforced by the Internal Revenue Service (IRS). Tax-exempt status permits corporations to be exempt from paying corporate taxes to the federal and state government and allows such corporations to receive grants and donations which can be deducted on the donor's income tax. Foundations are able to award grants to tax-exempt program without endangering their own not-for-profit status. Tax-exempt status is sometimes required by funding sources as a condition for granting funds; for example, the United States Department of Agriculture requires tax-exempt status as a condition for providing funds for the Child Care Food Program.

Federal Requirements

What Federal Requirements Must a School-Age Child Care Program Meet?

School-age child care programs are eligible for tax exemption under Internal Revenue Service Code, 501(c)(3), if they meet the following requirements:

- The organization must be organized and operated exclusively for exempt purposes such as religious, charitable, or education purposes. According to the Internal Revenue Service (IRS), exclusively means primarily; other activities must be insubstantial;
- Earnings of the organization may not benefit any individual;
- The organization may not devote a substantial part of its activities to carry on propaganda or attempt to influence legislation; and,
- The organization may not participate in any political campaign on behalf of any candidate.

Which Category of Tax-Exempt Purpose Applies to School-Age Child Care?

There are several categories of the IRS code for which an organization may qualify for tax-exempt status. However, the single most appropriate category is education. The 1984 amendment to the Internal Revenue Code has simplified the process by which school-age child care programs are able to qualify for tax-exempt status using the education category. This provision amended the existing category to include child care programs that meet the following two requirements:

1) Substantially all of the care provided by the organization is for the purpose of enabling individuals to be gainfully employed, and

2) The services provided by the organization are available to the general public.

What Is the Application Process for Tax-Exempt Status?

The Internal Revenue Service Form 1023, **Application for Recognition of Exemption Under Section 501(c)(3)** must be completed and filed with the district IRS office. The application must have the following attached:

Organizational Document - An organization must submit a conformed copy of the organization's Certificate of Incorporation, Constitution, Articles of Association, or any other form of organizational document. A conformed copy is one that agrees with the original and all amendments to it. This copy must be signed by the principal officer or be accompanied by a written declaration certifying that the document is a complete and accurate copy of the original. Original documents should not be submitted because they become part of the Internal Revenue file and cannot be returned.

Organizational Bylaws - The IRS requires that bylaws of an organization be adopted prior to granting tax-exempt status. A copy of the bylaws must be included.

Financial Data - If a program has not yet begun operation or has operated for less than one year, a proposed two-year budget and a current statement of assets and liabilities must be attached. For those programs that have operated more than one year, a statement of receipts and expenditures and a balance sheet for the current year and for previous years must be included. In both instances, the sources of anticipated funds and revenues must be indicated.

Organizations that submit a complete application will receive an acknowledgment from their district IRS office. A ruling or determination letter will follow.

What Are the Appeals Procedures?

If an organization is refused tax-exempt status, the organization will be advised of its right to appeal. Subsequently, the organization will need to request an appeals office conference within 30 days. Such an appeal must be filed with the IRS district office and include the following information:

1. The organization's name and address and employer identification number.
2. Statement of the nature of the appeal including the date of the determination letter and the identification code.
3. Statement of facts including statutory and other authoritative references.
4. Request for a conference.

An officer or member of the board of directors may represent the organization at the appeal or the organization may be represented by an attorney, certified public accountant, or an individual enrolled to practice before the IRS. If someone other than an officer or member of the board represents the organization, such a representative must file a Power of Attorney Form 2848 or a Tax Information Authorization Form 2848-D.

If an administrative appeal is unsuccessful, a suit may be filed in a United States District Court or a United States Claims Court for a redetermination. It may be helpful to refer to IRS publication 556, Examinations of Returns, Appeals Rights and Claims. This publication is available from the IRS by calling 1-800-225-0717.

New York State Requirements

What Are the New York State Requirements for Exemption From State and Local Taxes?

In addition to the federal exemption, not-for-profit corporations can file for exemptions from state and local taxes. Section 116(a)(4) of the New York State and Local Sales and Use Tax Law specifies tax exemption requirements for not-for-profit corporations or organizations. For school-age child care programs, the following criteria apply:

- The organization is organized, and will be operated, exclusively for religious, charitable, literary, or educational purposes;
- No part of its net income will inure to the benefit of private shareholders or individuals;
- It will not, as a substantial part of its activities, carry on propaganda or attempt to influence legislation;
- It will not participate to any extent in a political campaign for or against any candidate for public office; and
- The assets of the organization are permanently dedicated to an exempt purpose. This means that should the organization dissolve or terminate, its assets will be distributed for a purpose specified as exempt in the Sales and Use Tax Law, or to the federal government or to a state or local government for a public purpose.

The application for State Tax Exemption Form ST-119.3 and an instruction booklet are available from the New York State Department of Taxation and Finance by calling 1-800-462-8100. The application must have the following items included:

Certificate of Incorporation or Constitution - The Certificate of Incorporation is submitted for a not-for-profit corporation. If an organization is not incorporated, an organizing document, e.g., constitution, must be submitted.

Organizational Bylaws - A copy of the bylaws of either the corporation or unincorporated organization must be included.

Program Information - A statement of program activities including current operation and plans for the future must be provided.

Financial Data - A financial statement of receipts and expenditures and assets and liabilities must be attached. See instruction form ST-119.3 for proper format of statements.

IRS Determination Letter - If the organization has already received exemption from federal taxes under Section 501(c)(3), the determination letter must be attached.

The process of obtaining state tax exemption is facilitated if the federal application is completed prior to the state application. If an organization has not obtained federal tax exemption, it must be fully operational before it can apply for state tax exemption.

After receiving its exemption, an organization may file an Application for Refund of State and Local Sales or Use Tax (Form ST-137) for any taxes paid during the three-year period prior to the granting of the exemption, if the organization met the requirements for tax exemption during that period. However, if the organization is required to amend its organizing documents, e.g., Certificate of Incorporation or Constitution, to qualify for state tax exemption, no refund will be granted.

For Further Information

Individuals involved in planning programs should obtain resource materials and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the names of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

Listed below are resources that may provide additional information on the topic of tax-exempt status for school-age child care programs.

Internal Revenue Service. (1984). *Tax-Exempt Status for Your Organization. (Publication 557).* Washington, DC: Department of the Treasury.

Murray, K. (1980). *501(c)(3) Tax Exempt Status - and How to Get It.* San Francisco, CA: Child Care Law Project.

YMCA of Greater New York and Council of New York Law Associates. (1982). *The Legal and Regulatory Affairs Manual: A Guide for New York Not-for-Profit Organizations.* New York: Author.

This technical assistance paper is supported by funds granted to the Council's School-Age Child Care Project by the Division of Criminal Justice Services and the United States Department of Health and Human Services.

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In addition, we would like to ackowledge the assistance of the interagency team composed of staff from DSS, SED, DFY, and DCJS. We would also like to express our appreciation to the staff of the Internal Revenue Service, New York State Department of Labor, and the New York State Department of Taxation and Finance for their review of the information.

For further information contact:
The NYS Council on Children and Families
(518) 474-6293

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 7 MAY 1987

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

Employer Requirements of a School-Age Child Care Program

School-age child care programs provide child care for elementary and middle school children during the hours when parents work and school is not in session. Not-for-profit school-age child care programs are employers, and as such, must meet a number of state and federal legal requirements. This technical assistance paper will briefly summarize specific New York State and federal requirements and will suggest further resources to consult for more detailed information. In particular, the paper discusses obtaining a Federal Employer Identification Number, hiring practices, employee benefits and payroll deductions, and reporting requirements.

Federal Employer Identification Number

All not-for-profit corporations are required to obtain a Federal Employer Identification Number. This number is needed to apply for tax-exempt status, to file the organization's annual tax return, and to open checking and savings accounts. In order to obtain a number, the organization must complete the form (SS-4), Application for Employer Identification Number. This form is available at any Internal Revenue Service Office (IRS). It should be filed with the district IRS Office as soon as the agency is incorporated. There is no filing fee. For New York City, Nassau, Rockland, Suffolk, and Westchester counties, file this form with:

Internal Revenue Service Center
1040 Waverly Place
Holtsville, New York 11799

For all other counties in New York State, file with:

Internal Revenue Service Center
310 Lowell Street
Andover, MA 01812

Hiring Practices

Employers are required to meet a number of state and federal laws and regulations in hiring employees. These include requirements dealing with the following issues:

Youth Employment

In New York State, youth under 18 must obtain an Employment Certificate (commonly referred to as working papers) if they are to be employed. The certificate can be obtained through local school districts. While it is desirable to employ youth in school-age child care programs, there are day care licensing regulations which restrict the age of youth who can supervise children. According to New York City Department of Health program regulations, personnel working directly with children are referred to as group leaders and they must be at least 19 years of age. Youth age 16 and over are able to assist group leaders, but are not counted in the required staff ratio. For those programs outside New York City licensed by the New York State Department of Social Services, a person must be 18 years of age or a high school graduate to be in full charge of children at any time.

Non-Discrimination

Title VII of the Federal Civil Rights Act of 1964, as amended, prohibits discrimination against applicants for employment on the basis of race, color, religion, sex and or national origin. Further, in New York State, inquiries about age are limited

to whether the applicant is 18 years of age or younger. Inquiries about disabilities must be specifically relevant to the requirements of the job. Organizations receiving federal funds or engaging in interstate commerce and employing 50 or more employees are required to submit to annual affirmative action plan. (Annual Employer Report Form EE0.1) to the Equal Employment Opportunity Commission in Washington, D.C.

Background Checks

The New York State Child Abuse Prevention Act of 1985 requires licensed child care programs to complete background checks of potential employees. Employers must request the following information from applicants: employment history, personal and employment references, and a signed statement indicating whether the person has ever been convicted of a crime.

Immigration Documentation

Employers are required to verify that all employees hired after November 6, 1986 are U.S. citizens or aliens authorized to work. Employers must fill out Form I-9 within three business days of hiring a new employee. After the employee fills out the top portion, the employer must examine supporting documents proving the employee's identity and eligibility to work. The completed from should be retained in the employer's files.

The new law also prohibits employment discrimination on the basis of citizenship status and national origin. Employers should not fire or fail to hire anyone on the basis of foreign appearance, language, or name.

I-9 Forms with easy-to-follow instructions are available at the Immigration and Naturalization Service Regional and District Offices, as well as local government printing office book stores. For more information on employer responsibilities, call 1-800-777-7700 and request category #6.

Equal Pay

Under the Federal Fair Labor Standards Act, amended by the Equal Pay Act of 1963, all employees must be paid equally for jobs which require equal skill, effort, and responsibility when performed under similar working conditions. An official Fair Labor Standards poster stating the provisions of the Equal Pay Act must be displayed in a prominent place. This poster is available from the Equal Employment Opportunity Commission at the following address:

90 Church Street
New York, New York 10007
(212) 264-7161

Minimum Wage

Under the Federal Fair Labor Standards Act, employees must be paid a minimum wage unless they are classified as exempt. In New York, exempt employees include certain salaried employees (e.g., executive, administrative, or professional) who earn minimum wage salary per week ($251.25 as of 1987). Also exempt from minimum wage standards are volunteers, students, apprentices, members of religious orders, and staff counselors who work in children's camps for not more than three months annually. These exemptions from minimum wage apply only to not-for-profit agencies that are organized and operated exclusively for religious, charitable, or educational purposes. An official poster outlining the Fair Labor Standards Act must be prominently posted. New York State also requires that a schedule of minimum wage rates and allowances be posted for informational purposes. The New York State schedule of minimum wage rates is available from the New York State Department of Labor, Division of Labor Standards at the following district offices:

State Office Campus
Albany, New York 12240
(518) 457-2730

65 Court Street
Buffalo, New York 14202
(716) 847-7141

One Main Street
Brooklyn, New York 11210
(718) 797-7499

30 Glenn Street
White Plains, New York 10603
(914) 997-9521

40-42 Main Street
Binghamton, New York 13905
(607) 773-7801

175 Fulton Avenue
Hempstead, New York 11550
(516) 481-6064

155 Main Street West
Rochester, New York 14614
(716) 454-3710

To pay wages by check, an employer must request a permit (Form IR-354) from the New York State Labor Department, Division of Labor Standards, District Offices at noted above. Not-for-profit agencies are required to pay employees at least semi-monthly.

Wage Garnishment

Under certain circumstances, an employer may be instructed through a court order to garnishee an employee's wages. A wage garnishment is deducted directly from the employee's earnings and sent to a specific court for non-payment of taxes, outstanding debts, or child support.

The Federal Wage Garnishment Law defines the maximum amount that may be garnisheed for an employee's weekly pay after taxes and legal deductions as not more than 25 percent of an employee's total pay or thirty times the federal minimum wage, whichever is the lesser amount. The United States Labor Department enforces this law, and employers who violate it are subject to criminal prosecution.

Employment Records

The Federal Wage and Hour Division and the New York State Department of Labor, Division of Labor Standards require that records must be kept on all employees for six years and must include the following information:

- Name of employee, address, birthdate if 18 years of age or under, sex, and description of position;
- Hours worked each day and total hours worked per week;
- Basis on which wages are paid, deductions from employee's wages for each pay period, total wages paid per period, and dates of payment.

Payroll Deductions and Employee Benefits

Employers are required to make various deductions from an employee's salary. In addition, an employer may choose to provide benefits that may involve employee wage deductions and reporting requirements to government agencies.

Withholding Taxes

Income taxes (federal, state, New York City and City of Yonkers) must be withheld from employees through payroll deductions and paid by the employer.

Every organization that has employees is required to obtain each employee's signature on a Withholding Exemption Certificate (Form W-4) which must be retained in the files of the program. A new W-4 must be filed on or before December 1 for each employee whose withholding allowance will be different in the next year. A full-time student is eligible for an exemption from having income taxes withheld if the total annual income is to be less than the amount set by the federal government.

A particularly useful booklet regarding employer's federal tax responsibility, *Circular E, Employers Tax Guide*, is available by writing to the following address:

Internal Revenue Service Center
1040 Waverly Avenue
Holtsville, New York 11799

New York State, New York City, and City of Yonkers tax information for employees

ception of teachers and non-manual laborers in charitable, religious, and educational organizations. Again, since it is unclear whether this exemption would apply to employees of school-age child care programs, such programs are encouraged to provide worker's compensation benefits to their employees for the protection of both the program and the employees.

Employers provide worker's compensation benefits by securing insurance coverage. This coverage can be obtained by contracting with a private insurance carrier or by contacting the State Insurance Fund at the following district offices:

Albany

State Insurance Fund
879 Madison Avenue
Albany, New York 12208
(518) 458-2580

Buffalo

State Insurance Fund
161 Delaware Avenue
Buffalo, New York 14213
(716) 847-3653

New York City

State Insurance Fund
199 Church Street
New York, New York 10007
(212) 962-8900

Syracuse

State Insurance Fund
901 James Street
Syracuse, New York 13203
(315) 428-4822

Rochester

State Insurance Fund
24 Plymouth Avenue, North
Rochester, New York 14614
(716) 325-7242

Reporting Requirements

Employers Quarterly Federal Return

All employers subject to income tax withholding or FICA must file an Employers Quarterly Federal Return (IRS Form, 941) due on or before April 30, July 31, October 31, and January 31. This form must be sent to the following Internal Revenue Service Center for New York City, Nassau, Rockland, Suffolk, and Westchester counties:

Internal Revenue Service Center
1040 Waverly Avenue
Holtsville, New York 11799

and for all other counties:
Internal Revenue Service Center
310 Lowell Street
Andover, MA 01812

Report of Miscellaneous Income

Any program which pays $600 or more in fees or other compensation to any individual who is not an employee must fill out Form 1099-MISC. The employer must report to the Internal Revenue Service (IRS) that this amount was paid to an individual without any taxes withheld. A copy should be retained by the program, one sent to the person receiving the money, and one to the IRS.

New York State has a similar requirement that payments amounting to $600 or more must be reported on Form IT-2102.1, Information Return. Form IT-2102.4, Transmittal of New York State Information Returns, must be used as a transmittal form when forwarding tax returns to the New York State Department of Taxation and Finance.

Annual Tax Returns

Every incorporated school-age child care program is required to file an annual federal tax return regardless of tax-exempt status. All tax-exempt programs should file a Form 990-Annual Report after they have received at least $10,000 from program fees or other funding sources in one year.

Thereafter, this form is filed each year. This form must be filed by May 15 of the following calendar year and sent to the following address:

Internal Revenue Service
11601 Roosevelt Boulevard
Philadelphia, PA 19155

All forms and supporting documentation (e.g., checks and invoices) should be kept for a minimum of seven years.

New York State Registration and Reporting Requirements for Charitable Organizations

Any school-age child care program which solicits, or intends to solicit, contributions in excess of $10,000 annually, or which pays anyone for fundraising, must register and file subsequent annual reports with the New York State Department of State, Office of Charities Registration. "Contributions" include government and foundation grants as well as individual contributions of money or goods, but do not include allocations from the United Way or Community Chest, membership dues, or fees-for-service.

Initial registration with the Department of State is made on Form G750-410. Later amendments to Form G750-410 are made on form G750-411 and sent to the following address:

Department of State
Office of Charities Registration
162 Washington Avenue
Albany, New York 12231

When soliciting funds from the public, New York State requires that the solicitation material should contain the following words: "A copy of (Agency's Name)'s latest annual report filed with the Department of State may be obtained by writing: NYS Department of State, Office of Charities Registration, 162 Washington Avenue, Albany, New York 12231, or by contacting (Agency Name).

If any agency obtains funds from which the income is required to be used for charitable purposes, the agency must submit form NYCF-1 annually to the New York State Department of Law, Charitable Foundation Bureau, Two World Trade Center, New York, New York 10047. The form should be accompanied by a list of any transactions that occurred in the fund, a copy of an audit, IRS Form 990, G750-411, and a check for $100.00.

Wage Reporting

New York State's Wage Reporting System is designed to use information submitted by employers to the Department of Taxation and Finance for the purposes of:

- verifying public assistance eligibility and benefit amounts administered under the Social Services Law;
- locating absent parents and establishing support obligations administered under the Social Services Law and the Family Court Act; and
- identifying fraud and abuse in connection with the unemployment insurance benefits system administered by the Department of Labor.

Every employer must submit quarterly reports of wages paid to each employee who resides or is employed in New York State, whether or not the wages are subject to the withholding of tax. Reports are made on Form WRS-2, Employer's Quarterly Report of Wages Paid to Each Employee, and are due on April 30, July 31, October 31, and January 31. Reports should be sent to the following address:

New York State Department of
Taxation and Finance
WRS Report Processing Unit
W.A. Harriman Campus
Albany, New York 12227

For Further Information

Individuals involved in planning programs should obtain resource material and contact knowledgeable people who have already established programs to learn from their experiences. For a list of additional technical assistance papers and the name of programs and local resource people, please contact the School-Age Child Care Program at the New York State Council on Children and Families, Mayor Erastus

Corning Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

A packet of relevant forms specific to the legal responsibilities of employers is available from the Office of Business Permits and Regulatory Assistance and can be obtained by writing to the following address:

New York State Office of Business Permits and Regulatory Assistance
Executive Department
State of New York
Alfred E. Smith Building
17th Floor
Albany, New York 12225

The following resources will provide useful information on the topic of the legal responsibilities of employers:

Baden, R., Genser, A., Levine, J. & Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House.

Brooklyn In Touch Information Center, Inc. (1981). *Forming and Operating a Nonprofit Organization Information Packet.* Brooklyn, NY: Author.

Council of New York Law Associates, Volunteer Lawyers for the Arts and Community Law Offices. (1978). *The New York Not-for-Profit Organization Manual.* New York: Author.

YMCA of Greater New York and Council of New York Law Associates. (1982). *The Legal and Regulatory Affairs Manual: A Guide for New York Not-For-Profit Organizations.* New York: Author.

is summarized in the two documents: *Employer's Withholding Tax Instructions (IT-2100)*, and *New York State, City of New York and City of Yonkers Withholding Tax Table and Methods (IT-2100.1)*. These documents are available by writing to the following address:

New York State Department of
Taxation and Finance
Taxpayer Assistance Bureau
Forms Control Section
W.A. Harriman Campus
Albany, New York 12227

Social Security (FICA)

The Federal Insurance Contributions Act (FICA) was amended in 1983 to require not-for-profit agencies to participate in the social security system. The social security system provides pensions, survivor's benefits, permanent disability insurance, and special benefit payments to eligible employees. The Social Security Administration administers the system and determines all benefits.

The employee's contributions to the social security system are made through payroll deductions and the employer pays an equivalent amount based on a percentage rate of the employee's current salary. The rate in 1987 was 7.15 percent, and the maximum payment for an employee is $3,003.

Payment of Withholding Taxes and Social Security

Payment of federal withholding taxes and social security payments including both the amount contributed by the employer and the amount withheld from the employee, must be deposited by the 15th day of each month at the regional Internal Revenue Service Office or at a federal depository bank at which the program maintains a checking account. After receipt of a Federal Employer Identification Number, forms (Form 501-Monthly Federal Tax Deposit) will be sent to the agency to be submitted with these funds. If payment is not filed on time, a penalty will be assessed. If an organization is unable to make payment, penalties will be compounded and the board of directors will ultimately be liable for payment.

Payments for New York State, New York City and City of Yonkers withholding taxes must be accompanied by Form 2101, Employer's Return of Tax Withheld, and sent to the following address:

New York State Department of
Taxation and Finance
Processing Unit
Box 1970
Albany, New York 12201

Form IT-2101 must be filed either quarter-monthly, semi-monthly, monthly, semiannually or annually, depending on the total amount of New York State, New York City, and City of Yonkers taxes required to be withheld in a semiannual period ending June 30 or December 31.

Unemployment Insurance

Employees who lose their jobs through no fault of their own are entitled to unemployment insurance benefits. Such benefits are paid from a reserve fund which employers finance through payroll taxes.

The New York State Department of Labor requires employers to submit information on Form IA-100, Report to Determine Liability Under New York State Unemployment Insurance Law. The Unemployment Insurance Division of the New York State Department of Labor determines contribution rates for each employer based on experience in the system with regard to claims and taxes paid on the history of claims of the employer. As of 1987, the first $7,000 of each employee's total earnings during a calendar year is taxable. This report should be sent to the following address:

New York State Department of Labor
Unemployment Insurance Division
State Campus, Building 12, Room 359
Albany, New York 12240

An organization pays unemployment insurance premiums quarterly and is prohibited from withholding this payment from an employee's salary. A completed Employer's Report of Contributions (Form IA-5) and the quarterly payment are due on or before April 30, July 31, October 31, and January 31 of each year.

Not-for-profit programs have the option of paying this payroll tax or directly reimbursing a state reserve fund for the amount the organization must pay to persons eligible for unemployment benefits.

Employers are required to maintain wage records in such a manner that the information necessary to process benefit claims can be obtained within seven days. Records must be maintained for three complete calendar years.

When an employee files a benefit claim, the employer will be sent a form requesting the reason for the employee's termination. The unemployment benefits insurance claims office will determine whether the former employee is eligible to unemployment benefits. The employee or employer can challenge determination within 30 days and ask for a hearing before an Administrative Law Judge.

Particularly useful resource materials on unemployment insurance, *the New York State Unemployment Insurance Information for Claimants* (LO 318.3) and the *Employer's Guide to Unemployment Insurance* (IA-318.1), can be obtained by writing to the Department of Labor at the following address

New York State Department of Labor
Office of Communications
State Campus Building 12
Albany, New York 12240

Additional information may be requested from local unemployment offices located throughout New York State. The telephone number of the nearest office can be found in the local telephone directory.

Disability Benefits

The Disability Benefits Law entitles eligible wage earners to cash benefits while they are out of work due to illness or injury that is not related to employment. Under the Pregnancy Discrimination Act of 1978, an amendment to the Civil Rights Act of 1964 and a similar New York State Law, women affected by a pregnancy-related disability must be treated the same as other disabled employees.

Teachers and non-manual workers in charitable and educational organizations are excluded from disability coverage unless the employer voluntarily provides such coverage. At this time, it is unclear whether school-age child care programs would be included in exempt categories. In any case, since disability insurance provides an important employee benefit, programs should seriously consider providing such coverage.

An employer providing disability insurance may pay the total cost of disability insurance or require employees to share in the cost up to a limit of $.30 per week. Employers can obtain coverage for disability insurance through a private insurance carrier or through the State Insurance Fund.

If the disability occurs during employment or within four weeks of termination, the form DB-450 should be filed by the employee with the employer or the insurance carrier. If the disability occurs four weeks or more after termination, the form DB-300 should be filed with the Disabilities Benefits Bureau of the Worker's Compensation Board at the following address:

Worker's Compensation Board
Disabilities Benefits Bureau
100 Broadway
Albany, New York 12204

The forms are to be completed by the employee and his her doctor within 20 days after the disability occurs.

Worker's Compensation

Worker's Compensation provides weekly cash benefits and the cost of medical care for an employee who is disabled because of an accidental injury occurring in the course of employment. Employers are required to provide worker's compensation benefits to their employees, with the ex-

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In addition, we would like to acknowledge the assistance of the interagency team composed of staff from DSS, SED, DFY, and DCJS. A special thanks is extended to Tom Luzzi of Parsons Child and Family Center. We would also like to express our appreciation to the staff of the Internal Revenue Service, New York State Department of Labor, and the New York State Department of Taxation and Finance for their review of the information.

For further information contact:
The NYS Council on Children and Families
(518) 474-6293

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 8 MAY 1987

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

Writing Bylaws for a School-Age Child Care Program

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper outlines content areas that should be addressed in bylaws for a school-age child care program. Each content area is discussed in the framework of the decisions that should be made to tailor bylaws to meet the needs of a specific program.

Incorporated child care programs are required to have bylaws. Bylaws constitute the basic rules by which a corporation operates, defining a process for orderly decision-making. They outline how a board of directors will function and specify the delegation of power and authority.

While it can be helpful to review bylaws of a similar organization, it is not advisable to copy them. It is important that bylaws be written to reflect the mission and goals of the corporation.

Bylaws should be written as part of a developmental process. All of the members of the group developing a school-age child care program should be involved in making decisions about the structure and delegation of power and authority. A working committee should then draft the bylaws to reflect these decisions and focus attention on technical language. It may be helpful to have an attorney participate in the drafting of the bylaws. Due to the importance of bylaws, careful attention should be given to the review of this document by the initial board of directors.

In drafting bylaws, the following areas should be addressed:

- Purpose of the Organization
- Membership
- Board of Directors
- Meetings
- Voting Procedures
- Officers
- Committees
- Amendment Procedures
- Dissolution
- Indemnification

Purpose of the Organization

The stated purpose should be brief and direct and reflect the function of the program. Nothing should be added to the bylaws that is contrary to the purpose as stated in the Certificate of Incorporation. For not-for-profit corporations, the Internal Revenue Service (IRS) requires that bylaws be adopted before tax-exempt status is granted and reviews them as part of the application process. The stated purpose of the organization in the bylaws and in the Certificate of Incorporation must meet IRS regulations and should include the name and location of the program. (See technical papers on Incorporation and Tax Exempt Status.)

Membership

There is often confusion between the terms "members of an organization" and "members of the board of directors." Some not-for-profit corporations have large numbers of general members giving an organization much broader representation. Such members usually elect the board of

directors, adopt or revise the bylaws, and may have other powers which can be defined. Local task forces on child abuse and neglect and local child care councils are often organized in this manner. If a corporation is going to have a general membership, the requirements for such membership should be defined and the powers and duties of members should be specifically stated in the bylaws.

Most school-age child care programs are operated solely by a board of directors and do not have a separate membership. If an organization does not have a separate membership, bylaws should indicate that members of the corporation will consist of the members of the board of directors only.

Board of Directors

The bylaws should define the scope of the authority of the board of directors and determine the size, composition, and tenure of its members.

New York State requires that a corporation have a board of directors composed of at least three persons. For those programs that will be licensed by the New York State Department of Social Services, the Department of Social Services recommends a board of at least seven members. A board should be large enough to obtain broad-based community support and small enough to be efficient. Usually a board is composed of 10 to 20 members.

The composition of the board may be specifically defined in the bylaws. Parents or representatives of relevant organizations such as PTA's, local school boards, or county departments of social services may be designated a specific number of seats on the board of directors.

The selection process, including nomination of members, should be clearly stated in the bylaws. It is important to establish terms of office that ensure the stability of the board while encouraging the participation of new members. To accomplish this, board members usually serve more than one year, and terms of office are often staggered so that only a portion of the board is elected each year. The length of the term and the number of terms that a board member can serve are often limited to encourage the participation of new people.

Policies regarding meeting attendance, resignation, and removal of board members should be established. Procedures to fill vacancies on the board should be outlined in the bylaws.

Meetings

The bylaws should establish the frequency of meetings, requirements for notifying board members, and the procedures for calling special meetings. Bylaws generally indicate that written notice of the time and place of regular meetings should be sent to board members a specified number of days prior to the meeting.

Voting Procedures

The bylaws should address the rules and procedures for conducting a meeting; *Robert's Rules of Order* (Robert, 1981) is commonly used for this purpose. Such procedures should include the definition of a quorum, the number of board members who must be present in order to conduct official business, and the specific number of votes needed to pass an official motion. These procedures should also address how general business is conducted, how board members are elected, and whether members are allowed to vote by proxy.

Officers

Typically, the delegation of power and authority of the board of directors is defined by the assigned function and tasks of specific officers. The following officers and designated tasks are commonly used and may be adapted to meet the needs of a specific school-age child care program:

- The chair or president establishes agendas, presides at meetings, and represents the program. The chair or president does not make decisions for the board, but may take actions to implement decisions of the board such as signing contracts.
- The vice chair or vice president presides at meetings and generally undertakes the functions of the chair in his or her absence.
- The treasurer participates in budget preparation, oversees bookkeeping, and prepares regular financial reports.
- The secretary records minutes and is responsible for correspondence, written records, and distribution of minutes.

In developing bylaws, the following should be considered:

- Election of officers and the length of terms of office;
- Procedures for removal or resignation of officers
- Procedure for filling vacancies.

Committees

Most boards use committees to carry out their work in a manageable manner. Bylaws either provide a framework in which committees can be established or they can name specific standing committees and their functions. It is important that the powers and responsibilities of each committee are specifically indentified. Some of the committees that might be formed are listed below:

- An Executive Committee is made up of the officers of the board. The Executive Committee is often responsible for promulgating agency policy and making decisions in emergencies.
- A Personnel Committee is responsible for personnel policies and their implementation. It often is responsible for decisions regarding the hiring and firing of staff and handling staff grievances.
- A Finance Committee oversees bookkeeping procedures, budget preparations, and budget implementation.
- A Nominating Committee recruits and recommends people to serve on the board or as officers.
- A Fundraising Committee plans events, membership drives, or solicitation of funds to benefit the program.
- A Parent Involvement Committee promotes the participation of parents in the school-age child care program.
- Program Committees address issues related to programs operated by the agency.

The bylaws often address how committee chairs are selected, how long they serve, and who can be committee members. In addition to standing committees, the bylaws usually permit the addition of short-term and ad hoc committees. Committee members do not necessarily have to be board members.

Amendment Procedures

It is important that bylaws be developed in such a way that they are flexible enough to meet the changing needs of the program. However, to facilitate future changes, procedures for making amendments should be included. These procedures should specify voting requirements and how prior notice of a proposed change of the bylaws will be given to board members. It may be desirable to establish a routine review and revision period to ensure that they remain appropriate. In making changes in the bylaws, a review of the incorporation certificate is necessary to ensure that any amendments are consistent with the certificate.

Dissolution

In New York State, a board can dissolve the corporation by a two-thirds vote of the directors present, and the directors can choose a similar not-for-profit corporation

to receive its assets. It is important to state this in the bylaws. If the board does not indicate an agency, the decision will be make by the New York State Supreme Court.

Indemnification

Indemnification refers to an agreement to allocate liability and financial responsibility to the organization rather than individual board members or employees. In other words, the organization agrees to pay for certain liability costs that might be assessed against individuals. However, nonpayment of withholding taxes or unemployment insurance payments may result in the personal liability of board members.

For Further Information

Individuals involved in planning programs should obtain resource material and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available papers and the names of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

The following resources will provide useful information for those involved in writing bylaws for a school-age child care program:

Baden, R., Genser, A., Levine, J., Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House.

Council on New York Law Associates, Volunteer Lawyers for the Arts and Community Law Offices. (1978). *The New York Not-For-Profit Organization Manual.* New York: Author.

Hummell, J. (1981). *Starting and Running a Non-profit Organization.* Minneapolis, MN: University of Minnesota Press.

Robert, H. (1981). *Robert's Rules of Order.* Glenville, IL: Scott, Foresman.

YMCA of Greater New York and Council of New York Law Associates (1982). *The Legal and Regulatory Affairs Manual: A Guide for New York Not-For-Profit Organizations.* New York: Author.

This technical assistance paper is supported by funds granted to the Council's School-Age Child Care Project by the Division of Criminal Justice Services and the United States Department of Health and Human Services.

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NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 9 MAY 1987

Forming an Effective Board of Directors for a School-Age Child Care Program

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

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In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

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School-age child care programs provide child care for elementary and middle school children during hours when parents are at work and school is not in session. This technical assistance paper outlines the legal responsibility of a board of directors and provides guidelines for selecting and maintaining an effective board for a school-age child care program in New York State.

While this paper stresses the very important and serious nature of serving on a board of directors, such service provides an opportunity for personal rewards, a sense of contribution to the community, as well as a direct service to children and their families. School-age child care programs depend on individuals who voluntarily donate their time energy, and commitment to serve on such a community board.

What Is the Responsibility of the Board?

The board of directors is the governing body of the corporation and is legally responsible for setting agency policies and overseeing the operation of an effective and fiscally sound program.

Agency policies are those principles which establish the framework for program operations. Specific policies should address agency finances, program design, personnel, and parent involvement. In each instance the agency policy should be consistent with the mission of the organization.

It is customary to compile board policies in a manual for distribution to new board members, staff, and parents. The following provides information regarding specific areas that should be addressed by the board.

Fiscal Management

The board is responsible for the fiscal operation of the organization. It must approve the agency's operating budget, and it is legally accountable for overseeing expenditures and bookkeeping methods.

One of the most important policy documents of an agency is the operating budget, because it determines the parameters within which services are provided. Therefore, board members must have a clear understanding of the relationship between proposed expenditures and the successful operation of the program. In particular, the level of staff salaries and employee benefits will directly affect the numbers and qualifications of staff who can be hired, as well as the rate of staff turnover. In addition, sufficient equipment and supplies are necessary to implement program activities. The task of the board will be to balance these expenditures within the constraints of the income generated by the program.

Members of the board of directors of school-age child care programs are often involved in diverse tasks as part of the budget process, including exploring funding options, assisting with actual budget preparation, and establishing a parent fee scale. To ensure that a program is fiscally accountable, a board must develop a fiscal management system that provides safe-

guards from the misuse or mismanagement of funds. Safeguards that should be considered include documenting all incoming revenue in a cash receipts journal; procedures for cross-checking bank deposits and receipts; requirements for written approval of all expenditures; board approval of large expenditures; and procedures for issuing checks. A regular financial report will help the board monitor the current financial status of the program. An annual independent audit by a certified public accountant is highly recommended and is often required by public funding sources.

Personnel Management

As the legal employer of all agency staff, the board of directors is responsible for the actions of its employees. Therefore, the board must oversee personnel issues and program functioning.

Personnel policies should include the agency's definition of a normal work day and work week, and a description of the agency's wage and salary scale. Employee benefits such as vacation, sick leave, and maternity leave should be clearly stipulated.

Personnel policies should also include procedures for hiring, dismissal, probationary periods, staff grievances, and resignation of employees. Specific job descriptions should be written and included in the personnel policies for each position in an agency. Tasks and designated responsibilities should be clearly stated and care should be taken to ensure that these job descriptions meet New York State and local licensing regulations where applicable.

Staff evaluations are an important part of personnel procedures. As such, a process for ongoing staff supervision and evaluation should be established. Evaluations should be written, signed by the employee and maintained in an official record. They should be used to plan staff development, correct inappropriate behavior of staff, provide information for grievance proceedings, and, if necessary, staff firing. In addition, they provide an opportunity to reinforce positive employee attributes, encourage staff in their professional development, and promote an enjoyable, effective, and efficient work environment.

Affirmative action is an important component of personnel policies. Such policies should prohibit illegal discrimination against potential and existing employees and encourage a staff to be culturally and ethnically representative of the community it serves.

One of the board's most important tasks is the selection of the director who has day-to-day responsibility for program administration. There is sometimes confusion between the role of the board and the role of the director. While the role of the board includes establishing policy and overseeing the program, board members do not usually become involved in the routine functioning of program operation. It is essential, therefore, for each program to clarify the respective roles of the board of directors and the director of the program in a manner that will facilitate ongoing communication and mutual respect.

Who Should Be Recruited to Serve on a Board of Directors?

Prospective board members should be interested and committed to the mission and goals of the program and have time and energy to devote to the organization. The board of directors should represent the ethnic diversity of the community served by the program and should provide a balance between men and women. For school-age child care programs, it is particularly important to have parents represented on the board.

Board members ideally should provide expertise from diverse perspectives, and individual members should be recruited and selected for the specific skills and support that they can offer the program. Board members should be chosen who provide an essential link to community agencies (e.g., public schools and youth serving agencies), and to community leaders who have influence and access to resources. It is also important to choose members who have skills in fiscal management, administration, legal issues, fundraising, and programming.

How Is an Effective Board Maintained?

Because board members are volunteering their time, it is particularly important to conduct effective and efficient meetings. Therefore, an agenda should be prepared, followed, and preferably a written notice of the meeting should be sent to board members one week prior to the meeting. Attendance can be encouraged by establishing a regular meeting time and place, and if necessary, providing transportation and child care to allow parents to attend meetings.

Each member's participation should be encouraged and recognized. This can be accomplished by involving board members in committee responsibilities in areas of their specific expertise and interest. During full board meetings, committee members will have responsibility for reporting on issues related to their committee. In this way, each board member plays in important role in the operation of the agency.

Assigning specific tasks to committees enables the board to function more efficiently. The committee structure permits maximum participation of each member in the operation of the agency and reduces the number of issues that have to be discussed and decisions that have to be made by the full board. Committees can include people other than board members, which is a useful mechanism to increase community participation.

To function effectively as a board member, individuals must have specific skills, program knowledge, and the ability to communicate and make decisions within a group. Therefore, ongoing board training should be provided to develop these skills. Workshops on such topics as communication skills, group process, and fiscal management can enhance the skills of board members.

A thorough orientation should be provided for new board members that familiarizes them with the mission and goals of the agency, its policies, a tour of the facilities, and an opportunity to observe programs in operation. Direct contact with the program will help board members maintain their interest and feel that their contributions are valuable.

What Is the Personal Responsibility and Liability of a Board Member?

A board of directors is provided the legal protection of limited personal liability through incorporation. However, it is important for board members to understand their legal responsibilities and the implication of these responsibilities as it relates to the liability of the corporation and themselves as individuals.

The board has ultimate responsibility for executing all contracts involving the agency and should discuss all such contracts. Board or staff members should sign contracts accompanied by the name of the program and the official capacity of the signatory so that a signature does not result in individual liability.

Personal liability of board members only occurs when illegal or improper acts have been committed or authorized. A particular area of concern is the failure of the corporation to pay withholding taxes which can result in the personal liability of board members. Therefore, board members need to be actively involved in the fiscal management of the corporation by approving the budget, reviewing monthly written reports of operating expenses and revenues, analyzing an annual independent audit, and implementing appropriate recommendations of the audit report.

Injuries sometimes occur in the routine activities of school-age child care programs.

Legally, an accident refers to a specific type of injury which was unforeseeable or one for which all reasonable precautions have been taken. Nonetheless negligence can be determined when there is: a breach of the duty to protect children, a failure to conform to licensing standards, an indication that the breach of duty caused the injury, and a demonstration of actual injury.

Since injuries may occur, the board of directors has a responsibility to develop routines and procedures which will be implemented by the director of the program in the event of an injury. The board also has the responsibility to promote a safe environment with appropriate equipment and a general policy of safety by developing procedures which reduce hazards from injury or illness. To further protect both the staff and the children, it is crucial for a school-age child care program to acquire appropriate liability insurance.

A child care center employee who intentionally harms a child is liable for criminal penalties, and ultimately, both the individual and the organization itself may be liable for civil damages. The corporation as the official employer is responsible for the actions of its employees in the course of their duties.

Since a school-age child care program is responsible for the actions of its employees, it is important for the board to implement an effective system of personnel administration. In addition, the board should monitor hiring practices, program functioning, and the implementation of personnel policies which address the ongoing evaluation and supervision of individual staff members in conjunction with staff development activities, and encourage staff awareness of safety in program activities and the environment.

For Further Information

Individuals involved in planning programs should obtain resource material and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available papers and the name of programs and resource people in your area, please contact the School-Age Child Care Program at the New York State Council on Children and Families, Mayor Erastus Corning Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

The following resources will provide useful information for those involved in developing a board of directors.

A Handbook for Day Care Board Members, edited by Secor, is a particularly useful resource on forming and maintaining an effective board for child care programs. This handbook ($10.50) can be obtained by writing to the Day Care Council of New York City at the following address:

Day Care Council of New York, Inc.
22 West 38th Street
New York, New York 10018

Information packets ($5.00) and fact sheets ($.25) covering such topics as board training, fundraising, and management for not-for-profit organizations are available from the organization, Brooklyn In Touch, at the following address:

Information Center
101 Willoughby Street - Room 1508
Brooklyn, New York 11210
(718) 237-9300

Baden, R., Genser, A., Levine, J. & Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston: Auburn House.

Hummel, J. (1981). *Starting and Running a Nonprofit Organization.* Minneapolis, MN: University of Minnesota Press.

Resources for Child Management (1985). *Legal Issues for Child Care Providers.* Summit, NJ: Author.

Resources for Child Management (1985). *Making Child Care Work: Managing for Quality.* Summit, NJ: Author.

Secor, C. (Ed.) (1984). *A Handbook for Day Care Board Members, (2nd ed.)* New York: Day Care Council of New York, Inc.

YMCA of Greater New York and Council of New York Law Authority, (1982). *The Legal and Regulatory Affairs Manual: A Guide for New York Not-For-Profit Organizations.* New York: Author.

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Paper No. 10 May 1988

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Meeting the Developmental Needs of Children in School-Age Child Care Programs

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper offers suggestions for program activities based on child development, and offers techniques for working with groups and individual children.

Why is it Important to Address the Developmental Needs of Children?

While children are temperamentally different and their rates of growth vary, there are predictable patterns of development during the middle years of childhood. Throughout this period, social needs usually intensify and shift from family to peers as children become more aware of the world outside of home. As children mature, they become increasingly able to understand that there are generally accepted rules for behavior at school and in the community.

An effective program provides activities that are matched to the developmental stages and interests of the children. Such a program fosters feelings of awareness and self-esteem in children, while at the same time exposing them to new, challenging experiences. Family values and cultural traditions are respected and parent participation is encouraged at every level of program planning, implementation, and evaluation. Careful provisions are made for individual special needs or handicapping conditions.

Understanding some of the developmental issues between the ages of five and fourteen will help staff in planning a range of activities to meet the diverse needs and interests of individual children. Knowledge of child development, however, is only the beginning. The heart of an effective program lies in the sensitivity, commitment, and skills of staff members as they get to know individual children and promote feelings of unity and cooperation within the group.

What are Some of the Common Patterns of Child Development?

During the first five years of life, young children establish a sense of trust in the people who care for them. They begin to understand that they exist as persons apart from their parents, and that they possess the ability to make independent choices and decisions. They learn to have confidence in their own creative ideas. When these healthy feelings of trust, autonomy, and initiative are well established, children of school-age begin to be interested in learning skills. As children grow older, they move away from play that is primarily experimental and exploratory and toward more purposeful, product-oriented activities.

This move toward product-oriented activities can be seen, for example, in the move from the joy preschoolers experience in hammering for its own sake to the elementary school-age child hammering to make a recognizable object. Over the years, the crude attempts of a six or seven year old to hammer together a clumsy wooden boat evolve into the meticulous efforts of a pre- or early adolescent to construct an elaborate, scaled model of a boat.

The school-age child also begins to move away from the world of pretend and make believe, and to undertake tasks that are reality-based and product-oriented. Thus, while a five-year old may still be content to pretend to cook at a play stove or in the sand pile, a twelve-year old may be interested in preparing an entire meal for the family. As children struggle to move from play activities toward skill mastery, they can become their own most severe critics and will need help in establishing realistic goals and standards for themselves and their friends.

One of the most striking characteristics of the middle years of childhood is that children form a special subculture with its own traditions, games, tasks, values, loyalties, and rules. Program activities should capitalize on this, providing ample opportunities for children to form their own groups or clubs, and allowing children to plan and develop their own projects such as plays or newsletters.

Adult recollections of childhood are often rooted in their grade school years and these recollections can help them be sensitive to feelings and opinions of children. Recalling the exquisite agony of pushing one's tongue against a very loose tooth can help most adults be more patient with a seven-year-old's ambivalence about pulling her own very loose tooth. Being the last member chosen for a team, the only child wearing the wrong kind of sneaker, or being teased because one is the largest, smallest or skinniest child in the group are among childhood experiences that can have a lasting effect upon self perceptions. Reflecting on similar childhood experiences can help an adult be more compassionate, positive, and supportive.

What Program Activities Should Be Provided in a School-Age Child Care Program?

In planning a school-age program, adults should be aware that each child is developing a sense of personal competence as well as a perception of himself or herself as a member of the social world away from home. A wide variety of activities will provide children with opportunities to discover new interests and develop new skills. The ages, interests, and temperaments of individual children will be important considerations in the selection of specific activities for them.

Space, time, and staff assistance may be available to children who want to do homework, but it is not recommended that homework be required or become the focus of the program. School experiences may be supplemented or complemented, but not be repeated in the hours before and after school. It is important to be sensitive to parental views about homework and to reach a balanced program approach. The following list, while not inclusive, provides a variety of ideas for activities in school-age child care programs.

Animal Science
Art Activities (e.g., paint, markers, crayons, clay)
Clubs (e.g., 4H, Scouts)
Community Services
Computers
Construction
Consumer Economics
Cooking
Cosmetology
Crafts (e.g., macrame, jewelry, knitting, models, leatherwork)
Current Events
Dance and Creative Movement
Drama (e.g., plays, puppets)
Exercise Classes
Field Trips
Foreign Languages
Free Play
Games
Groups Discussions (e.g., rap groups, counseling, group meetings)
Gymnastics
Literature (e.g., books, stories, poems)
Movies
Music
Nutrition Education
Parental Hobbies
Photography
Sports (e.g., swimming and team sports such as kick ball)
Woodworking

How Can Program Activities Meet the Specific Development Needs of School-Age Children?

Many of the activities listed above are applicable to school-age children. However, it is the task of staff to adapt and expand on such ideas to meet the needs and interests of the children. Therefore, the following four pages contain descriptions of stages of child development:

The Transition Years – *Five and Six Year Olds*

The Middle Years – *Six to Nine Year Olds*

The Preadolescent Years – *Nine to Twelve Year Olds*

The Early Teen Years – *Twelve to Fourteen Year Olds*

The implications for program activity for each of these developmental periods are discussed to provide general guidelines for planning age appropriate tasks and experiences.

The Transition Years — *Five and Six Year Olds*

Sometimes exuberant, often shy, five and six year olds present a special challenge to staff in school-age programs. Because they have only recently emerged from the preschool world of home and parents, new routines, relationships, and activities require them to make major adjustments. When they feel rested and confident, five and six year olds may greet new people and experiences with delight. On the other hand, if they are tired or under stress, they may behave in ways that seem more characteristic of much younger children. For example, they may cling to familiar adults, routines, or old comforts such as thumbsucking. Seemingly grown up at one time, at another a child may scramble into an adult's lap, snuggle up against a story teller, or retreat to a solitary place, perhaps to think private thoughts and prepare to face again the demands of life away from home.

Play continues to provide useful and powerful opportunities for five and six year olds to arrange and rearrange the raw materials, toys, and relationships that allow them to enact the themes and scenes they observe and seek to master. Play themes can often become complicated, absorbing, and sustained. Unlike preschoolers, five and six year olds can cooperate in elaborate fantasies which may continue for hours or even days and weeks. While they require adult help in continuing cooperative relationships and finding appropriate props and materials, their ability to dramatize and re-enact themes of interest to them enables them to become absorbed in rich and complicated play that is deeply meaningful to each participant.

Intellectual skills are expanding, although children of this age often interpret language quite literally and, as a result, sometimes form bizarre images of the world. For example, hearing an adult exclaim, "Mrs. S. has gone to pieces over her son's accident!" can produce revealing expressions of shock and horror on the face of a five or six year old. Children are also forming a primitive code of right and wrong in which fairness becomes an important, often disputed, component. They continue to need adult help in interpreting and abiding by the rules and traditions of our culture.

Sometimes staff members feel they are not fulfilling their responsibilities if children spend time structuring their own play activities. However, five and six year olds are often overly regimented. It is sometimes easy to forget that five and six year olds enjoy long periods of free play. They need time, space, and opportunities for play under the careful supervision of staff who will help them maintain cooperative social relationships and provide props and materials to enrich play experiences.

Program Implications

Five and six year olds are often tired after a day in school. Some children unwind through vigorous physical activity and enjoy time spent on jungle gyms or other large equipment, or in spaces appropriate for running and letting off steam. Other children prefer to make the transition from school to child care quietly, perhaps lingering over a snack to talk with a trusted adult or friend. Physical comfort needs, such as toileting or a change into play clothes or shoes may be part of a necessary transition activity.

Because five and six year olds are relatively inexperienced with life away from home and parents, sustained relationships with a few adults may be more appropriate than a program that requires them to relate to a new adult with every change of activity. Continuity of relationships with nurturing adults, an atmosphere that is calm and accepting, a choice of simple, interesting activities in small groups, nutritious snacks, and opportunities for self-directed play alone or with friends are essential components in a program for the youngest children in a school-age child care setting.

Blockbuilding, dramatic play, and creative arts allow children to make sense, in concrete, participatory fashion, of the world they observe, from fresh and inexperienced points of view. Books, stories, and puppet shows encourage language development and promote reading and communication skills. Children in this age group need many opportunities for vigorous physical activity with limited emphasis on structured, competitive sports. Many of the same materials found in good preschool classrooms will be used by five and six year olds in increasingly organized, sustained and varied ways. As language, physical and social skills develop, children become more able to function in congenial peer groups and to carry out complicated themes in play over days or even weeks.

The role of adults with five and six year olds is to:

- provide firm, loving supervision without too much interference;
- observe carefully in order to provide appropriate space, props or time for elaborate child-initiated play and sequences;
- plan ample concrete experience to encourage new "play themes" as needed;
- recognize the need for rest, privacy, and individual attention; and,
- establish a rhythm of active/quiet, inside/outside activities that is predictable and enjoyable.

The Middle Years — *Six to Nine Year Olds*

The life of a six to nine year old is full and demanding. In addition to leaving home and establishing themselves as members of a school and a peer group, children in our society are expected to acquire a number of skills. Some of these skills demand intense concentration, persistence, and hours of practice, yet few of them are recognized as important in formal learning programs. Adults who are sensitive to the needs, interests and increasing maturity of children will acknowledge the importance of each child's mastery in learning these types of tasks.

whistle
snap finger and thumb together
ride a bike
roller or ice skate
tell time
cross street safely
use a telephone
read and write
tell jokes, riddles and other "funny things"
rely on adults other than parents and teachers
play games with rules such as checkers, marbles, jacks, hopscotch
develop collections (bottle caps, baseball cards, coins, etc.)
assimilate the rhymes, rites and rituals of childhood
acquire knowledge of the songs or music enjoyed by the peer group

Children of this age group are willing to learn almost anything, particularly if adults they like and respect are interested and enthusiastic.

Early grade school youngsters often welcome evidence that they have succeeded at important tasks. Checking off completed lists of chores, reading posted schedules, receiving stickers or badges may be effective in reinforcing positive behavior because they provide concrete evidence of success.

Although children in this age group are learning that our society frowns upon tears, most of them still cry when angry, insulted or hurt. They will need reassurance from adults that expressing feelings in this way is acceptable, and they will also need adult protection from teasing by their peers. Excessive tattling often peaks during these years and staff will need to make firm statements to children to help them focus on their own behavior, while understanding when it is appropriate to call staff attention to the action of others.

During these years, children establish moral codes and often have a strong, even rigid, sense of what is wrong or right, fair or unfair. They tend to see only one side of an issue at a time and have trouble thinking about extenuating circumstances, or considering two moral principles at once. Although they can often be kind and compassionate, their ability to empathize will be overshadowed by their emerging moral convictions and they may be severe in their condemnation of their own, or a peer's behavior. Staff should involve them in establishing clear and simple rules under which the program can function. Posting these rules in places that are clearly visible will reassure children that the program is consistent and predictable, and may prevent arguments among children and between children and staff.

Program Implications

Planning programs for six to nine year olds may be similar to planning a smorgasbord meal with a wide variety of activities to sample, thus allowing children many choices. Although some children in this age group may show strong preferences for a particular sport, game, or computer activity, effective programs offer several choices. In addition to structured activities, children need time to make friends, establish small groups, and have opportunities for discussion and contact with an adult who is able to relate to them in a predictable and stable fashion. Such activity may be informal, but it is well supervised by staff.

Although children of this age can seem very mature, many of them are still working on the developmental tasks of the pre-school years, and almost all of them regress under stress, over-stimulation, or when they are tired. A relaxed atmosphere, a rich play environment in which children structure their own activities, small groups, and a nurturing staff, are key components in a good program for this age group. Children of all ages need opportunities to be by themselves to rest, read, think, or draw; six to nine year olds may need help in recognizing, as well as meeting this need.

The Preadolescent Years —*Nine to Twelve Year Olds*

During the period between nine and twelve years of age, children become increasingly anxious to grow up. In fact, their behavior can be far more organized, more sustained, and generally more mature in a relatively short period of time. Their need for loving and supportive relationships with adults may be camouflaged by their intense loyalty to a peer group. The self-image of a child in this age group is often very fragile and depends to a large extent on recognition and acceptance from friends.

Some nine to twelve year olds may experience a sudden growth spurt. Rapid growth acceleration can be expected for girls between the ages of 10 to 14; for boys, it occurs more generally between the ages of 12 to 16. It is common to see girls of this age tower over boys; and it becomes important for adults not to predict age on the basis of physical development alone. Rapid physical growth and changes brought on by the onset of puberty can be both puzzling and disturbing to pre-teens. Girls may begin to menstruate and experience breast development and boys may be alarmed by wet dreams. Both boys and girls may be confused by the barrage of information and misinformation they receive about sex from friends and the media, and alarmed by emerging feelings of sexuality. Children may engage in secret inspections of their bodies as they check to see, for instance, if pubic, underarm or facial hair is appearing, and to assure themselves that they are normal. Some of the anxiety children feel around physical growth issues may be expressed in bathroom humor, dirty jokes, interest in magazines with pictures of naked women and men, or in subtle or overt hostility toward peers of the opposite sex, or even toward a member of the same sex whose appearance or behavior seems to be different from their own.

Most children begin the early years of middle childhood from the ages of five to eight with self-centered thinking. It is difficult for them to take another person's point of view because they have neither the developmental maturity nor the experience to think as adults do. Between nine and twelve, children begin to understand another point of view, although they may need adult help in accepting or acting in response to what they can intellectually comprehend. In addition, children can now think about and understand why things happen and they can make predictions about what might happen in certain situations over a period of time. They are beginning to reason deductively.

This more mature ability to think and reason, combined with increasing physical skills, and a developing commitment to the peer group leads children to develop passionate interests or hobbies in which they may remain interested over a period of time. The five to eight year old might be described as a sampler who is eager for new experiences, anxious to try any interesting new activity, welcoming opportunities to participate in varied program activities. In contrast, nine to twelve year olds may have strong opinions about the activities they will or will not enjoy. If they have a strong interest, be it baseball cards or geology, they will want to pursue that interest over a period of time.

Adults who work with nine to twelve year olds may be faced with a wider range of individual differences than exists in almost any other group. Children in this age group come in all shapes and sizes, and are at varying stages of emotional and physical maturity. They are trying to become independent of adults while at the same time establishing themselves in a peer group. Children of this age are sometimes very concerned about not being normal or not having friends. They may begin to feel responsible for their parents or to confront social injustices and world problems such as hunger, prejudice, nuclear war, homelessness, and disease. These discoveries are often painful, and the pain may be compounded by the children's realization that they are still too young to have much of a positive impact.

Program Implications

It is important that children have ample opportunities to discuss their thoughts and feelings. Children need help from adults in defining the roles they can play in creating a world that is safe and healthy. Time for discussion, reflection, reading, talking with a friend, must be balanced with opportunities to explore a hobby, sport, or a special interest. Health education activities in areas of nutrition, and personal hygiene can be introduced informally in response to expressed interest and direct questions from children.

Time for comfortable group discussion and for imparting information to the total group should be balanced with time for children to be alone, to read or chat with a friend, or with a friendly adult. Younger children may be very direct in expressing confusion and fears. Nine to twelve year olds often have a great, but sometimes fragile sense of personal dignity. Any action on the part of an adult that might cause them to look silly or inadequate in front of their peers is an action to be avoided. Dealing with the emotional, and social changes brought about by dramatic physical growth should be a major consideration in planning programs for pre-teens. Staff should be well-informed and have available the excellent array of books about fictitious characters coping with the same human problems confronting children in this age group.

Group experiences should be arranged carefully to build on the strengths of all children in the group. Variety may be necessary to ensure that each child has a chance to excel. Social interactions and the development of friendships are of crucial importance for children. Adults will be important in pointing out that, for example, a child may not sing as well as others, but she is a great addition to a softball team. Without strong adult models of kindness and compassion, children can sometimes appear to be insensitive or cruel to others. A major program emphasis should include group discussions to establish consensus on standards for behavior, fairness, and consideration of the needs of each individual, with emphasis on supporting strengths.

Developing expertise in a sport or physical activity can be one way to help a nine to twelve year old feel competent and in control of his or her body. However, not all children experience success in physical activities, so programs will have to provide other ways for them to build and increase self-confidence. The role of the adult leader is critical in achieving this goal.

The list of activities planned for nine to twelve year olds may be similar to that used with younger children, but observations of the children will enable staff to adapt the activities very differently in planning a developmentally appropriate program. For example, during one three-hour period, a six year old might listen to a story, play in the sandbox, ride a bike, paint a picture, engage in a brief group game, and spend time talking and giggling with a friend. During that same period, one 12 year old may be completely absorbed in a game of chess, while another works on a model and listens to music, a third devotes herself entirely to a game of baseball, and a fourth sits under a tree and talks to a friend.

The Early Teens — *Twelve to Fourteen Year Olds*

Understanding the dramatic changes that occur as children enter the teen years should be helpful to adults as they establish or maintain comfortable relationships with young adolescents. Rapid physical changes, combined with wide variation among individuals, tend to make adolescents extremely sensitive to their appearance. At no other time in life are feelings about the self so closely tied to feelings about the body. Physical appearance also affects the ways in which adults and peers treat an adolescent. Teens who have a rapid growth spurt may be treated as adults while those who have not grown as quickly continue to be treated as children.

The physical changes of pubescence can also affect emotions. Cyclical changes in hormonal balance are associated with changes in emotions, behavior and thinking. Since these cycles are new to adolescents, they may not be handled well.

The most important mental change during adolescence is growth in the capacity for abstract thinking. This capacity to think about many possible realities becomes a fascinating activity and may be increasingly important as the adolescent establishes a personal moral code. Rules and principles simply accepted from parents and other authorities are essential to children, but adolescents need to think through rules and principles and consider the alternatives in order to adopt or adapt them for themselves.

One of the most obvious social changes for adolescents is the initiation of interest in and interactions with young people of the opposite sex. Learning to handle the emotions and behavior that go along with attracting and forming emotional attachments can be stressful in addition to being exciting.

Adolescents undergo dramatic physical and mental changes in a short period of time, and their place in society often seems confusing to them. Adolescents need guidance and support in establishing themselves as contributing members of the society. Adults who are effective in working with adolescents must be flexible and willing to accept a variety of behaviors and encourage young people to make choices and become more independent. At the same time, their flexibility must be balanced with the ability to set and enforce limits for appropriate behavior.

Program Implications

Young adolescents need opportunities to exercise their rapidly changing bodies as well as opportunities for rest and relaxation. Adults should encourage a balance of competitive and non-competitive physical activities. The development of skills and talents are important in fostering self-confidence and self-esteem and may bolster an adolescent's status in a peer group. As young people develop the capacity for abstract thinking, they can be encouraged to find value in a wide variety of social, intellectual and artistic activities, in addition to the physical sports which often hold a permanent place in programs for adolescents.

Positive adult role models will help young people affirm their identification with their racial, ethnic or gender group as well as gently challenging their stereotyped views of their own or other groups. Adults can encourage adolescents to express feelings and thoughts through dance, writing, music, art or any other medium available in the community. Perhaps most important of all, staff can help young people see themselves as useful citizens by making it possible for them to make meaningful contributions to their communities. For example, some programs give adolescents the opportunity to be involved in community service activities, such as visiting elderly people confined to a nursing home or caring for younger children. Since young adolescents have a need to prove their competence and exhibit achievement, it may be important for staff to encourage projects which require a serious commitment and sustained effort resulting in a formal production or product such as a drama production or publication of their writing, or exhibit of their artwork. Assuming responsibilities for service within the program or community can be important in reinforcing an adolescent's sense of personal importance or self-worth.

How Can Group Behavior Be Managed in a School-Age Child Care Program?

Adults who have an understanding of child development and who may be well acquainted with several school-age children are often surprised at the unpredictable nature of groups. Sometimes, kind, cooperative, and helpful, children in groups can also be cruel, defiant, and destructive. While all six of these characteristics can be exhibited by the same child within a twenty-minute time span, some children have periods of time when one or two of these traits may seem to dominate their personalities for hours, days, or weeks. Particular personalities of children can combine in ways that have a dramatic effect upon mood, tempo, and general cohesiveness of a group.

Each group has a different dynamic which functions as a unique personality. Some groups are turbulent, while others are harmonious almost from the first meeting. The emotional functioning of a group can be affected by experiences children have had at home or in school, weather conditions, or unusual or special events such as holidays. At times, even under the best conditions and with skilled sensitive leadership, group activities can fall apart. Sometimes overly high or low staff expectations can feed group instability and at other times there may be disruptive circumstances outside the control of the staff member.

It is important for the adult and the group members to realize that when this happens, it is not necessarily anyone's fault. Instead of allocating blame, staff can verbally describe what seems to be happening with the group in a nonjudgmental and direct manner. Staff acknowledgment of the disruptive activity will not necessarily improve the situation and it may temporarily make it even worse. However, the children will hear that staff are not angry or punitive and the accepting attitude may catch their attention.

If possible, the larger group should be divided into smaller groups. A staff leader can request the group to choose activities in pairs or groups of three. Staff can then circulate quietly among small groups instead of trying to remain in control of a large one. In addition, it should be possible for those participants who want to concentrate on a project or activity to do so in a protected space. Staff should continue to supervise the rest of the group for safety reasons, but not force them to join the activity.

As a group develops cohesiveness, patterns of communicating and relating to one another occur among the participants of the program. It is important for staff to recognize these patterns so that they can ensure that individual children are not excluded from activities or treated badly. It is also important for staff to recognize that changes in the make-up of the group, such as a child leaving or entering the program, can be disruptive, causing changes in patterns of communicating and relating to one another.

To create positive group interaction in school-age children, some or all of the following suggestions may be useful.

- Respond to children's ideas seriously and respectfully.
- Provide a choice of activities for children.
- Allow children to establish their own pace in the program by providing areas for relaxation as well as for vigorous physical activity.
- Provide opportunities for children to play alone as well as with friends.
- Establish rules which are simple, clear, and consistently but pleasantly enforced.
- Develop friendly relationships with children; staff are neither teachers nor parents, but are instead trusted and respected adults.
- Encourage communication among adults and children which includes discussion of positive and negative feelings, as well as conversations about activities and events.

Staff who work with mixed age groups may face a particularly difficult challenge in creating a sense of unity. Children may benefit from interactions with peers who are slightly older or younger than they are, but mixed age groups usually require a more flexible schedule, more varied activities, and more opportunities for children to work and play in small groups.

How Should Problems With an Individual Child's Behavior Be Addressed in a School-Age Child Care Program?

Children's behavior is often interpreted by staff to be the direct result of the home environment or of the parenting techniques children have experienced. While families and neighborhoods are certainly powerful influences in children's lives and on the development of their personalities, it is also important to consider individual temperament in understanding a child's behavior.

Examining how a child deals with change, responds to new experiences, is distracted, persistent, or predictable can help staff understand a child's behavior without judging or labeling the behavior in negative terms. Clearly, some children are temperamentally more difficult than others. For example, a child who is easily distracted, has difficulty adapting to change, and responds negatively to new people or experiences may be difficult to manage in a group. It is helpful for staff to recognize individual temperament as a means for understanding children, planning activities, and developing strategies to meet their needs.

The following suggestions may help staff deal with children's negative behavior:

- Observing children's behavior and focusing on their individual strengths is an important first step in working with them effectively.
- Staff should express their feelings honestly and directly,but briefly. Be sure the children know positive feelings of staff as well as those that may not be quite so positive.
- It is important for staff to delegate authority and responsibility to children whenever possible, preferably in advance of the activities. If children arrive knowing they share responsibility for the success or failure of the program, they may be more inclined to engage

in constructive actions. For example: a staff member might say to a child, "Susie, thanks for collecting the tools we need. Will you arrange them on that work table and be in charge of giving them to the people who need them?"

- A staff member who is having particular difficulty with one or two of the children in the group could try to establish individual contact alone with these children, for example: "Paul, I find myself yelling at you far more than I like. I think we'd be better friends if we knew each other better. Would you be my hiking partner when we go to the State Park tomorrow?"
- Staff should offer one or two realistic choices for a disruptive child, such as, "Shall we walk over to the park where we can work off some energy or would you prefer to go to the gym today and see if we could use the tumbling mats?"
- For some children, the touch of a hand or an arm around the shoulder is a steadying influence, while other children prefer not to be touched and can be very active in attempts to maintain distance between themselves and the adult. The staff should know the children well in order to determine whether brief affectionate physical contact will be helpful and appropriate.

While the above suggestions reflect positive actions staff can take to work with children, there may be instances where a child may have continuing difficulty adjusting to the program. In such cases, parents and the child's teacher should be integrally involved in information sharing and in developing constructive solutions. Staff and parents should meet to discuss the child's behavior and explore additional ways in which the program can meet the needs of the child.

Listed below are several resources and references that may provide additional information on the topic of school-age child care.

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NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

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Preparing a Budget for a School-Age Child Care Program

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper will provide general guidelines on how to develop a budget for a school-age child care program. Individual programs can adapt this information to meet the particular needs of their own program. A separate technical assistance paper addresses guidelines for developing effective financial management procedures.

What is a Budget?

A budget is a fiscal plan for operating a program. It is a written summary of the annual estimated costs and sources of income of a program. Used as a management tool, it allows programs to plan how much money is available to spend and to determine how it will be spent. In addition to describing the finances of a program, the budget also reflects the scope of the program and its priorities. Preparing and balancing a budget requires making policy decisions that determine how the school-age child care program will operate. Such policy decisions include plans for staffing patterns, salary scales, program activities, and parent fees.

The budgeting process consists of itemizing the expected yearly income and expenses of operating a program, assigning a dollar amount to each, and balancing the figures. In nonprofit organizations, the estimated income is generally equal to the expenses. Budgets for proprietary programs usually project an income which exceeds the expenses.

Each item listed is referred to as a line-item. Specific line-items require back-up sheets to explain in detail how costs were calculated. For example, the line-item "Salaries" indicates the total cost for staff salaries. The budget back-up sheet lists the individual staff positions, identifying the amount of time worked per week and per year, the salary rate, and the annual salary. The back-up sheet for "Fringe Benefits" identifies each benefit and indicates how the figures were calculated.

Some funding sources also require a budget justification or budget narrative. This is a written explanation of each line-item describing why it is essential to the operation of the program. In the budget narrative, the discussion of the line-item "Salaries" would include a description of the staff positions, explaining the duties of the staff members and the required qualifications for each position.

Budgets are also prepared to meet accountability requirements of funding sources. For example, in New York State, the Department of Social Services requires special budget forms to be used by programs, as do the Division for Youth and local United Way Agencies. Rather than include the specific budget form of any one agency, the following sample budget form (see Box A) attempts to incorporate the most common categories of income and expenses. These categories may need to be adapted to specific funding sources.

How is a Budget Developed?

A budget should reflect the program's mission and the scope of program activities. Once these have been defined, expenses and income can be calculated accordingly. At that point, program planning and budgeting take place simultaneously. A decision made in one area almost always has consequences in the other. Income, expenses, and program priorities need to be coordinated to arrive at a balanced budget that accomplishes the program's objectives.

It is helpful for programs to define procedures for developing, approving, and revising budgets. Such procedures should include plans to:

- identify who will prepare the budget and how input from staff, parents, and board members will be obtained;
- establish a time frame to indicate when the budget will be prepared and presented to the board for approval;
- develop a timetable for submitting approved budgets to funding sources;
- determine what reports will be used to compare budgeted amounts to actual expenses and income; and,
- designate a procedure to be followed to revise the budget when necessary.

Who Should Be Involved in Preparing the Budget?

The budget is usually prepared by the program director or a small committee consisting of the director and representatives of parents, staff and the board. It is helpful for a fiscal staff person to participate in the budget process, but it is not advisable to delegate budget preparation to this person alone. Because the budget process involves program as well as fiscal decisions, the director must take an active role in its preparation.

In preparing the budget, it is a good idea to receive additional information from other people involved in the program. Staff and parent perspectives are often very important, and their involvement can also help them understand the policy decisions that have to be made during the process of developing a balanced budget. Guidance from funding sources may also be helpful when the budget reflects major changes in policy and programming. A broad base of participation in the budget and planning

BOX A

Sample Budget

Name of Program_____
Annual Program Budget, 19_____

INCOME	
Parent Fees	$_____
Registration Fees	_____
Funding Sources	
(e.g. Department of Social Services, Division for Youth, United Way)	_____
_____	_____
_____	_____
_____	_____
Fund Raising	_____
Other	_____
TOTAL INCOME	$_____
EXPENSES	
Personnel	
Salaries	$_____
Fringe Benefits	_____
Travel	
Staff Travel	_____
Transportation of Children	_____
Field Trips	_____
Occupancy Costs	
Space Costs	_____
Utilities	_____
Building Repairs and Maintenance	_____
Equipment	
Furniture	_____
Program Equipment	_____
	_____
Supplies	
Classroom	_____
Office	_____
Custodial	_____
Contractual	
Consultants	_____
Substitutes	_____
Other	_____
Food	
Other	
Insurance	_____
Advertising	_____
Training	_____
TOTAL EXPENSES	$_____
BALANCE (Income − Expenses)	$_____
IN-KIND	$(_____)

processes generally improves the quality of the decisions. At the same time, it is critical that the process for soliciting participation and the size of the group be made manageable.

Once prepared, the budget is presented to the board of directors for their approval. Since the budget represents policy decisions, the board must clearly understand the proposed expenses and what effect they will have on program operations. The board is legally responsible for overseeing the fiscal operation of the program and must approve the operating budget.

What Types of Budgets Are Needed and How Are They Developed?

There are basically two types of budgets needed for school-age child care programs, a start-up budget and an annual operating budget. A start-up budget identifies the initial costs needed to set up a program on a one-time only basis; it also indicates how money will be acquired to pay for the start-up costs. An annual operating budget includes the regular ongoing expenses of operating a program and the anticipated sources of income.

The annual operating budget for the first year of a program should not include start-up costs. The first year's budget needs to establish the viability of a program by determining if the income generated will pay for the cost of services on an ongoing basis. Both budgets must be prepared before starting a program. Each provides important information; one indicates if the program has enough resources to get started and the other indicates if there is enough income to operate on an ongoing basis.

When developing a budget for a school-age child care program, expenses are generally calculated first, and then income is determined. It is usually necessary, however, to go back and forth between income and expenses and between program and fiscal priorities to arrive at a realistic budget. Since both expenses and income are estimates, it is wise to include any potential costs and estimate income conservatively to prevent future financial problems.

The following section describes the categories included in an annual budget. For the most part, these same categories must also be included in a start-up budget. Special considerations for developing a start-up budget are described in a separate section.

Annual Operating Budget

Expenses

When determining program costs, it is essential that expenses are calculated as accurately as possible and not arrived at by guessing. Specific prices should be obtained for items whenever possible. Back-up sheets should be prepared for most line-items to document how the figures were determined.

Salaries – Staff salaries represent the major cost of school-age child care programs. The number of staff hired, the amount of hours allocated for them to perform their job, and the rate of pay they receive are important aspects to consider when determining staff salaries. Staff salaries are usually established by identifying exactly what the job will be and what qualifications will be required, and comparing this to similar positions in the community. Monies for staff raises and accrued vacation and sick leave must also be budgeted. Salaries for substitutes are placed in this category if payroll taxes are deducted from their checks. If monies are not deducted from their paycheck, substitute staff should be included under "Contractual Services."

Fringe Benefits – This line item includes benefits required by law as well as discretionary benefits offered by the program, such as health insurance. Benefits required by law, such as Social Security, Worker's Compensation, Disability, and Unemployment Insurance are described more fully in the technical assistance paper "Employer Requirements of a School-Age Child Care Program." The personnel policies of a program should describe specific information about the fringe benefits provided to staff members. Each fringe benefit is computed separately and noted on the budget back-up sheets; the total figure is recorded in the budget. It is advisable to check for yearly rate increases for many fringe benefits, such as health insurance, Social Security, and Worker's Compensation.

Travel – When considering this item of the budget, the program must project the cost of how the children will get to and from the program. Many programs do not incur student transportation costs because, pursuant to Chapter 683 of the Laws of 1986, school districts in New York State may be reimbursed for transporting students to school-age child care programs.

Money is also allocated under this line item to reimburse staff who drive their own vehicles when conducting program business, such as shopping for snacks or attending training workshops. A rate per mile is determined by the program. To determine a dollar amount for the budget, it is important to estimate how frequently staff will have to travel to conduct program business.

Occupancy Costs – This category consists of all the costs associated with occupying a building and the space outside. It includes rent or mortgage payments, utility costs, and maintenance and repairs of the building. Utility costs include electricity, gas, oil, water, and telephone. Utility companies can provide information on their rates and will often assist in determining a realistic estimated cost, based on how the space will be used. Maintenance and repairs include costs for snow and rubbish removal, painting, lawn mowing, plumbing, and repairs for major appliances. The majority of unforeseen problems that require immediate attention are associated with occupancy costs. Therefore, it is important to include extra monies for unanticipated expenses under this line item.

Equipment – Equipment consists of such items as furniture, vehicles, and program equipment that will not need to be replaced within a year. Some funding sources, such as the New York State Department of Social Services, also establish a specific dollar amount which defines equipment, for example the purchase must be more than $50 to be categorized as equipment.

Supplies – Supplies include items purchased that have a lifespan of one year or less. This category can be separated into types of supplies used in the program: classroom, office, and custodial. Examples of classroom supplies include art materials, games, records, and books; office supplies can include stationery, photocopying costs, typewriter ribbons, and paper clips; and custodial supplies include such items as vacuum cleaner bags, garbage bags, and cleaning products.

The cost of supplies should be estimated realistically to ensure that enough funds are allocated to meet the supply needs of the program. Supplies are a necessary expense of a program; therefore, an adequate amount of money needs to be available to purchase supplies in order to provide a variety of activities and an enriching environment for children.

Contractual Services – Fees for consultants such as lawyers, trainers, accountants, and special resource people such as artists, musicians, and dancers, are included in this category. Substitute teaching staff salaries are placed in this part of the budget if payroll taxes are not deducted from their

paycheck. If they are deducted, then costs for substitutes are included in the "Salaries" section.

Food – The cost of food is included in this section. A realistic figure can be calculated by preparing a sample weekly menu and determining the cost per child for each week. This figure is then multiplied by the number of children attending the program and then multiplied by the number of weeks of operation.

Another method to determine food costs is to use the reimbursement rate for snacks established by the United States Department of Agriculture (USDA). This rate can serve as a guideline for the actual food costs for one child for one snack and can be multiplied to calculate costs for the year. Information about reimbursement rates can be obtained by contacting one of the following USDA field offices: Albany (518) 472-7636, New York City (212) 620-6322, Rochester (716) 263-6744.

Other – Expenses in this category include insurance, advertising, training, and other line items as needed by individual programs.

Income

Parent Fees – The majority of income received by most school-age child care programs is from the parents of the children enrolled in the program. Fees are determined by balancing the amount of income needed with an affordable parent fee. Programs must identify the population that will be served and the appropriate payment system and fee schedule before the amount of income received from parent fees can be determined. Creating a quality program that is affordable to parents is often a difficult task. The development of parent fee systems will be discussed further in the following section.

Registration Fees – Some programs charge a registration fee for children who are enrolled in the program or who are placed on a waiting list. It is a fee to cover the costs of enrolling a child, which requires additional staff time. For budgeting purposes, registration fees are calculated by estimating the number of new enrollees for the coming year and multiplying this figure by the amount of the registration fee.

Funding Sources – It is often necessary to seek outside funding to supplement parent fees for families who cannot afford the fees. In areas where many low income families live, the funding support of the program will shift from parent fees to other funding sources. A variety of funding sources, such as the New York State Department of Social Services, United Way, and local organizations may provide additional income to school-age child care programs. The funds listed under "Funding Sources" in the income section of the budget should be amounts that have been officially approved for the same period of time covered by the budget.

Fund Raising – Many programs find that fund raising is needed to increase the program's income to a level that is equal to the expenses. Other programs raise extra funds in case of an emergency situation or to assist with cash flow problems. If fund raising is necessary to balance the budget, a fund raising plan should be developed. This plan identifies fundraising events, expected revenues, who will be involved in the project, and the approximate number of hours of work that will be required. It is wise to be realistic instead of optimistic when calculating funds earned through fund raising and to determine if the money earned is worth the time invested by staff, board members, and volunteers.

Other – Other sources of funding include cash contributions from community organizations and grants from private foundations. Include only the dollar amounts that have been officially awarded.

In-Kind Contributions

In-kind contributions are donated services or goods that have a measurable market value and serve a useful function to the program. The estimated monetary value of in-kind contributions is included in a budget to determine the total cost of the program. The figures can be listed in the budget in a separate column, or prepared on a separate page as a budget back-up sheet. The amounts are generally placed in parentheses to distinguish them from cash expenditures or income.

The value of donations is determined by estimating the cost of a comparable item or service. For example, the value of custodial services donated to a program would be based on the fee or salary that would be paid for the same services; the value of space provided to a program would be equivalent to the rent charged for similar space. Some funding sources require that an amount of income or donated goods or services be received to match a part or all of the funds they award to a program. In this situation, the donation of in-kind contributions and their value must be documented.

Start-Up Budget

Expenses

A start-up budget is a budget that represents the costs of starting a new program. The budget is similar to the annual operating budget, but the costs include one-time only expenses that are not included in the annual operating budget. Common start-up costs include:

Personnel – Salaries and fringe benefits for staff prior to the beginning of the program are included in start-up costs. Staff will be needed to plan the program, order supplies, set up classrooms, recruit children, and receive training.

Contractual Services – A lawyer and an accountant are often needed in the beginning of a program to set up the legal and fiscal aspects of a program. Trainers may also be needed to train new staff.

Occupancy Costs – Space for the school-age child care program will have to be occupied prior to opening. If the facility will be licensed, renovations may be needed as a result of local fire, health, and building inspections. Anticipated telephone installation costs and security deposits are listed in this part of the budget.

Equipment – Equipment necessary to start a program could include tables, chairs, couches, rugs, shelves, easels, and record players for the classrooms, and possibly equipment for the kitchen, office, and outdoor play area.

Supplies – The annual operating budget includes the cost of replenishing supplies. The cost of purchasing all the supplies needed to begin the program is included in the start-up budget. Classroom supplies could include games, art supplies, books, and records; office supplies include staplers, staples, stationery, paper clips, and envelopes.

There are many costs involved in starting up a new program that are difficult to foresee. Contacting new programs in neighboring communities could be helpful in identifying hidden start-up costs.

Income

The income needed to pay for start-up expenses can be obtained through community organizations, state start-up grants, fund raising, and donations. Because most school-age child care programs do not start with full enrollment, start-up income should also include funds to supplement personnel and occupancy costs until full enrollment

is achieved. Funds to pay for the start-up costs are necessary to secure before developing a program.

Since 1984, the New York State Department of Social Services has had funds available to assist new school-age child care programs with start-up costs. Under this program, grants of up to $10,000 are awarded to programs selected for funding through a competitive application process. The budget form presented in Box B is part of the grant application package and is required to be used.

How Are Parent Fees Developed?

Parent fees are determined by each individual program based on a variety of factors. The expenses of the program will largely determine how much money must be raised through fees or other sources of funding. If grants are received or space and services are donated, parent fees will be less costly than if the program had no other sources of funding. Parent fees must be affordable to families, or they will not be able to enroll their children. The cost of the program will determine who can afford the services and the quality of the program. A balance between the quality of the program and its cost to parents should guide the decision-making regarding parent fees. Fee reductions for siblings in the program are considered by some programs, as well as charging additional fees for special activities, such as dance lessons or photography workshops.

The process of developing a parent fee system includes the following general guidelines:

- identify the annual cost of the program, the daily cost per child, and the supplemental funding available;
- analyze the amount of money parents in the community can afford, or are currently paying, for school-age child care;
- examine the types of parent fee systems described in the next section and determine which method establishes the best balance between program philosophy and cost; and,
- establish clear, consistent policies that communicate the program's position regarding parent fees, and issues such as fee reductions for siblings, and the cost, if any, for days children do not attend the program due to illness or vacation.

BOX B

NYS Department of Social Services
School-Age Child Care Programs
Budget for Start-Up Funds

Program Development and Demonstration

BUDGET SUMMARY BY OBJECT OF EXPENSE

	OBJECT OF EXPENSE	LOCAL SHARE*	PROGRAM DEVELOPMENT & DEMONSTRATION FUNDS	TOTAL COST
A.	Personal Services 1. Personnel			
	2. Fringe Benefits			
	3. Total (Lines 1 & 2)			
B.	Non-Personal Services 4. Consultants			
	5. Travel Per/Diem			
	6. Equipment			
	7. Supplies			
	8. Contractual Services			
	9. Total (Lines 4 thru 8)			
C.	Other Expenses			
D.	Indirect Charges			
E.	Project Total (A+B+C+D)			

*Include amounts for all funds other than Program Development and Demonstration Funds, including in-kind contributions to be used in support of the proposed project. Indicate amount of in-kind portion of Local Share in parenthesis next to Local Share Project Total (E).

Note: This budget is similar to the budget form presented earlier. However, it is important to note some of the differences. The Department of Social Services' budget does not have categories for food or occupancy costs. Food expenses are included in the "Other" category and occupancy costs are generally placed in the "Contractual" category. Consultants are listed in a separate category instead of being included in the "Contractual" category.

Information about the eligibility criteria and the application process can be obtained by writing to the School-Age Child Care Program, New York State Department of Social Services, 40 North Pearl Street, Albany, New York 12243, (800) 342-3715, extension 474-9454, or by contacting the School-Age Child Care Project of the NYS Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

The following information describes two systems of establishing parent fees for school-age child care programs.

Flat fees – This fee method charges each family an equal amount of money for the care of their child and is an easy system to implement and maintain. To determine a flat fee for child care, identify the total projected expenses and subtract any anticipated income, excluding the anticipated parent fees. This figure represents the amount of money needed to cover the expenses of operating a program. Next, divide this figure by a realistic estimate of the number of children who are, or will be, attending the program. This figure is then divided by the number of days the program is in operation to arrive at a daily cost per child.

A realistic estimate of children attending the program can be obtained by taking 80 to 90 percent of the children enrolled, or, for new programs, 50 to 75 percent of the number of enrollment slots (Baden, 1982). This adjustment takes into account the inevitability of children leaving the program, new enrollees starting a few weeks later, and families neglecting to pay their full bills.

The daily cost per child is multiplied by the number of days in the payment period to arrive at the flat fee. For example, tuition paid on a weekly basis would be determined by multiplying the daily cost per child times five days.

A flat fee system can be modified to include scholarships for children whose parents are unable to afford the full cost of the program. It is a method used by programs who have insufficient funds to support a sliding-fee scale, but want to make the program accessible to as many low-income families as possible.

Programs offering scholarships must first determine the cost of care for all families, which is calculated in the same way as flat fees. Next, the source and amount of funds available for scholarships must be identified. Programs can then decide how many children will be able to receive scholarships and the amount of the subsidy.

Written criteria should be developed to communicate the eligibility requirements and selection process for awarding scholarships. If the criteria are based on financial need or personal hardship situations, it is important that the information provided by the parents be kept confidential.

Sliding-Fee Scales – Parent fee schedules based on families' abilities to pay are referred to as sliding-fee scales. The purpose of this type of fee system is to make care more affordable and thereby more accessible to low-income families. Sliding-fee scales are more complicated than flat fees to set up initially. However, once the sliding-fee scale is established, its implementation is comparable to the flat fee system. An important advantage of a sliding-fee scale is that it provides the opportunity for low-income parents to obtain school-age child care.

The following information provides guidelines for developing an effective sliding-fee scale:

1. Calculate the revenue needed to cover the cost of the program.
2. Set up a trial fee scale with graduated income levels based on family size and corresponding fee charges.
3. Estimate the number of families in each income range.
4. Project the amount of money generated by parent fees according to the trial fee scale.
5. Compare this income with the cost of the program.
6. Adjust the trial fee scale, as necessary, to ensure income is equal to, or greater than, the cost of the program.

It is important to review the scale to ensure that the fees are affordable to parents in all income levels, and that the money generated is sufficient to operate a quality program. If affordable parent fees yield only part of the actual operating costs, programs will have to raise funds or locate additional sources of funding.

The use of a sliding-fee scale may make it difficult to assess if income will cover expenses because the income produced from parent fees changes as enrollment changes. To compensate for this, some programs establish enrollment quotas for each income level on the sliding scale. This method ensures that income is received as budgeted, provided an adequate number of children are enrolled according to the quotas established.

Once a sliding-fee scale is developed, it should be put in writing along with the procedures for calculating and documenting parents' income. Although sliding-fee scales are developed according to each program's individual costs and resources, it can be very helpful to contact programs that use sliding-fee scales to learn from their experiences.

For Further Information

Individuals involved in planning programs should obtain resource materials and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the names of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning 2nd Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

The following resources and references may provide additional information on the topic of preparing a budget for a school-age child care program.

Baden, R., Genser, A., Levine, J., and Seligson, M. (1982). *School-Age Child Care: An Action Manual.* Boston, MA: Auburn House Publishing Company.

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Gross, M., and Warshauer, W. (1983). *Financial and Accounting Guide for Nonprofit Organizations* (3rd Edition). New York, NY: John Wiley and Sons.

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For further information contact: ***The NYS Council on Children and Families (518) 474-6293***

NEW YORK STATE COUNCIL ON CHILDREN & FAMILIES

School-Age Child Care Technical Assistance Paper

MARIO M. CUOMO, Governor
GERALD C. CROTTY, Chair MATILDA CUOMO, Honorary Chair
JOSEPH J. COCOZZA, Executive Director

Technical Assistance Paper No. 12 MAY 1988

Throughout New York State, significant changes are occurring in family life. In particular, there is an increasing number of working parents with school-age children and an increasing number of single parents. One of the consequences accompanying these changes is the large number of children in need of school-age child care when school is not in session.

When child care for school-age children is unavailable, parents who must work are forced to leave their children unattended. It is estimated that between 100,000 - 300,000 such children in New York State are unsupervised for several hours each day.

In response to this problem, the State of New York has undertaken a number of initiatives to encourage the development of school-age child care programs. During 1984, the Legislature enacted a bill which authorized a funding program to support the start-up of new school-age child care programs. This bill was signed by Governor Cuomo in July of that year.

As part of the state's effort, the New York State Council on Children and Families has coordinated an interagency project, School-Age Child Care, in conjunction with the Department of Social Services, Division for Youth, and State Education Department, and supported by the Division of Criminal Justice Services. The purpose of this project is to assist communities in starting and operating school-age child care programs.

Planning and implementing a new school-age child care program involves a series of complex tasks. Resources and information are often needed to facilitate, support, and promote the development of such programs.

The Council is developing a series of technical assistance papers to address the needs of communities establishing school-age child care programs. These papers discuss the major steps that should be taken and offer practical suggestions on how to develop quality programs. Each paper provides a beginning point for individuals and community groups planning new programs.

Developing Effective Financial Management Procedures For a School-Age Child Care Program

School-age child care programs provide child care for elementary and middle school children during the hours when parents are at work and school is not in session. This technical assistance paper provides guidelines for establishing effective financial management procedures for a school-age child care program.

The establishment of efficient and effective financial management procedures is extremely important to the functioning of a school-age child care program. In addition to reviewing the information in this paper, it may be advisable to consult with an accountant or other qualified financial expert for assistance in developing fiscal procedures which meet the needs and circumstances of individual programs.

What Is A Financial Management System?

A financial management system is an organized set of procedures and principles designed to control and manage program funds. It ensures the proper management of money through a system of checks and balances, and provides a clear record and audit trail for all financial transactions. An effective financial management system is created by developing a budget and establishing financial management procedures. A separate technical assistance paper addresses guidelines for preparing a budget.

Financial management procedures establish controls which safeguard funds and create systems for recordkeeping and financial reporting. An initial step in the development of financial management procedures is to choose an accounting system that will provide reliable and timely financial information.

Accounting System

An accounting system provides information about a program's actual costs and income. It creates organized procedures to record income, control the disbursement of funds, and periodically report on the financial status of the program. Two basic methods of accounting include cash and accrual accounting.

Cash Accounting

Cash accounting records an expense when it is paid and income when it is received. The transaction is recorded on the actual date that money is transferred. A major advantage of cash accounting is that it is a simple bookkeeping method that readily provides information about the cash position of a program. A disadvantage of cash accounting is that it does not provide information on monies that have been

obligated. Consequently, funds that will be reimbursed at a later date, or expenses that have been financially obligated by the program are not recorded. For example, if bulk supplies were ordered for $1,000 on August 15 and received and paid for on September 2, the $1,000 would not be recorded until Sept. 2. A review of the records before that date would not provide information about the $1,000 obligation, thereby not presenting a complete description of the program's finances.

Accrual Accounting

Accrual accounting records an expense when it is encumbered and income when it is earned. Income and expenses are recorded at an earlier point than with cash accounting. In the example given above, the $1,000 for bulk supplies would be recorded on August 15, the date the supplies were ordered. This provides a more complete and accurate picture of the program's financial status.

A disadvantage of accrual accounting is that it is more time consuming because of the frequent adjustments that need to be made between the amounts encumbered and paid, and between the amounts earned and received. For example, a $1,000 supply order is initially recorded as $1,000; adjustments to this figure may have to be made if the bill is a different amount due to price changes. A modification of accrual accounting is used by some programs to minimize the number of adjustments. This system records expenditures when an invoice is received and income when it is billed.

How Are Effective Financial Management Procedures Created?

The program director and a committee of board members usually develop the program's financial management procedures. Their task is to establish procedures that ensure the proper management of money and meet the requirements of funding sources. Once developed, the procedures for financial management are presented to the board of directors for their approval. The board is responsible for the fiscal operation of the program and is legally accountable for overseeing expenditures and bookkeeping methods.

To develop financial management procedures, the program director and board must identify how money is received or spent. They decide which tasks are necessary and who will be responsible for carrying them out. Generally, creating financial management procedures will lead to a written manual which sets forth fiscal management responsibilities that guide the financial operations of a program. The following section describes procedures for receiving and spending funds, actions to prevent or alleviate cash flow problems, and necessary fiscal reporting.

What Safeguards Are Needed for Receiving Funds?

Procedures should be developed and used for managing the funds received. It is essential to document all financial activities to provide a record that can be traced in the event an explanation is needed later. General procedures for safeguarding funds include:

1. Recording income in more than one place by more than one person to ensure accuracy and control of program funds. The staff member who initially receives and records income is generally a different staff person than the one who records the figures in the financial records.
2. Depositing all funds daily, or in a timely manner. Generally, it is unwise to have large sums of cash on the premises.
3. Depositing all cash received. Cash should never be used directly for purchases.

Controls are needed to ensure that funds are received on a regular basis. Policies and procedures should be developed for collecting parent fees, maintaining attendance and fee records, and developing a waiting list, so that fees are collected and adequate enrollment levels are maintained.

Collecting Parent Fees

Parent fees usually comprise the majority of funds received in school-age child care programs. It is essential to collect fees in a timely manner, otherwise financial difficulties will arise. Developing clear policies and procedures regarding fees and communicating this information to parents will greatly assist in the collection process.

The importance of clearly written policies for collecting fees cannot be overstressed. Parents must be advised of the policies of the program before enrolling their child to ensure they understand their financial obligations. They also need to know the expectations of the program regarding payment procedures and the consequences of non-payment.

Answers to the following questions will provide a framework for creating policies for collecting parent fees.

1. ***When are fees due?*** Identifying a specific day for payment (e.g., every Monday, Friday, or the first of the month) communicates to parents an exact date for payment, and cuts down on the amount of time spent collecting and recording payments. The program also must decide if payment is due in advance or after care is provided.
2. ***Who will collect the fees?*** Many programs make an effort for a non-program staff member to collect tuition payments, since late payments or a dispute over previous payments can create difficulties with parent/staff relationships. In smaller programs, where this may not be possible, program staff should be trained to deal with problems relating to fee collection.
3. ***Will parents be charged for days that children cannot attend due to sickness, vacations, or snow days?*** Parents must be informed if fees are required when a child is not able to attend the program, and if additional costs are charged for early arrivals or late departures. Once a policy is established regarding absences and late pick-ups, it should be enforced consistently.
4. ***What happens when parents are late with their payments or do not pay and withdraw their child?*** Programs should determine the consequences of late or nonpayment of fees and implement this policy as soon as payment problems occur. A lackadaisical approach toward timely payments often results in programs having cash flow problems.

Maintaining Attendance and Fee Records

Attendance and fee records are financial management records that should be reviewed weekly. They can be combined into one form, or fees for each family can be recorded on separate pages. A sample form that consolidates information about attendance and fee collection for administrative review is shown in Box A. Payment records identify the families who are behind in their fees; reviewing them is the first step toward initiating the policies that have been developed to collect late payments.

A purchase requisition form is used by many programs as an internal document to control the expenditure of funds. It is a written request for a purchase which indicates costs and signed approval. After the requisition form is approved, a purchase order is completed and given to the vendor.

Establishing a Petty Cash System

A petty cash system is set up in many programs to pay for emergency costs or to reimburse staff for inexpensive purchases to support program activities. The amount of the fund generally ranges from $25 - $100, depending on the size of the program. A maximum limit, usually $5 or $10 per reimbursement is set; any purchase greater than that limit should be paid by check.

One person is assigned the responsibility of handling petty cash. Staff submit receipts for purchases to this individual and then receive reimbursement. Each transaction is recorded by documenting the amount spent, the item(s) purchased, the date, and the name and signature of the staff member who received the reimbursement. The receipt should be attached to this documentation. When additional cash is needed in the fund, the receipts are totaled and a check is made out for the amount that was spent. In this way, the amount of the cash plus the sum of the receipts always equals the original amount of money in the fund.

Care needs to be taken in setting up a system that is fiscally accountable, yet serves the purpose of providing immediate cash when needed. Limiting its use and reimbursing staff only when a receipt is presented are restraints that are often placed on an effectively managed petty cash system.

Controlling the Issuance of Checks

Issuing checks is the final step in spending funds. Procedures need to be established that identify who will write the checks and how frequently, and what methods will be used to record and document the payments. One person in charge of making all payments results in a consistent approach and also provides accessibility to an individual who can respond to financial inquiries. Time sheets, receipts for petty cash purchases, requisition forms, and purchase orders provide the supporting documentation required prior to writing a check. This documentation proves that a legitimate expense was incurred and should be paid.

Payments made should be recorded in several places: the system should provide for recording payments in the check register and recording similar expenses to accounts that correspond to line-items in the budget. For example, all salaries paid are allocated to a salary account so that the total amount spent can be compared to the amount budgeted. Similarly, all classroom supplies purchased are grouped together, indicating the total amount spent to date on classroom supplies. To facilitate this process of grouping like transactions, categories listed in the budget are assigned numbers. This number scheme is called a Chart of Accounts (see Box B).

The person assigned to writing checks should not be the same person who is authorized to sign checks. It is a commonly accepted practice that the person who has access to funds should not also keep the financial records. This division of duties provides control over funds and ensures the accuracy of records. Some programs require two signatures to be obtained for all checks, usually the signature of a program director and a board member. This can be an effective safeguard if both individuals review the checks and background documentation. However, if blank checks are signed in advance or signed without reviewing the information, obtaining a second signature is not a useful procedure.

Reconciling Bank Statements

Another control over funds is the monthly reconciliation of the bank statement. If a program deposits all of its cash receipts and issues payments only by checks, the bank statement should contain the same figures as the cash receipts journal and the check register. Therefore, this bank statement provides a second record of the program's financial transactions. The bank statement should be compared to the program's records on a monthly basis to identify any mistakes that may have been made by the bank or the program. Ideally, a third individual, someone who has no duties connected to recording checks or signing checks, should compare the bank statement to the program's records.

What Actions Can be Taken to Prevent or Alleviate Cash Flow Problems?

Cash flow is a term used to describe the movement of money into and out of a program. There may be specific times during the year when a program has cash flow problems even though the annual operating budget balances, or indicates a surplus. This can occur because an annual operating budget compares the income and expenses of a program on a yearly basis; it does not balance the figures on a monthly basis. To alleviate or prevent cash flow problems, a cash flow budget should be prepared.

A cash flow budget identifies the cash needs of a program by indicating when a cash shortage might occur and by providing an estimate of the amount of the deficit. It is prepared by listing all the cash transactions that occur within each month. The figures should be estimated as realistically as possible on actual expenses and income; they should not be based on monthly averages. For example, the amount of money allocated for staff salaries is based on the actual number of pay periods in a month, not by dividing the yearly cost of salaries by twelve months. The figures for fringe benefits will reflect large quarterly payments for payroll taxes instead of equal monthly amounts. Programs receiving reimbursements for child care or food should list the income in the month it is expected to be received.

BOX B

Sample Excerpt from a Chart of Accounts

100	**SALARIES**	**220**	**OCCUPANCY**
111	Director	221	Rent
112	Teacher	222	Electricity
113	Bookkeeper	223	Water
120	**FRINGE BENEFITS**	**230**	**SUPPLIES**
121	Social Security	231	Office
122	Health Insurance	232	Classroom

After the monthly figures are identified, the expenses are subtracted from the income to arrive at a monthly figure for net cash flow. This figure is added to the previous month's net cash flow figure to arrive at a cumulative figure for cash flow. The completed budget will identify when shortages and surpluses in the budget will likely occur. Programs should analyze this information and make plans to avert periods of cash shortages.

One way to achieve a balanced cash flow is to rearrange the timing of purchases and the receipt of income. If the monthly cash flow figures are consistently close to zero, meaning expenses are nearly equal to income, late payments or a drop in enrollment could seriously threaten the program's financial stability. Programs in this position may decide to require parents to pay for care in advance to ensure that funds are available to pay staff salaries. If cash flow is a problem only during certain months, rearranging when purchases are made could alleviate the problem. Often a negative cash flow exists during the winter months due to heating costs. Purchasing bulk supplies in the summer might be one way to compensate for this; another possibility is to pay for fuel on an installment basis.

Sometimes the negative cash flow is so large during one time of the year, that rearranging the timing of purchases and income is not enough. In this event, programs may find it necessary to obtain a short-term loan or to raise additional funds. The monies earned from fund raising could be placed in a special account used only for cash flow purposes. They would be used when needed and returned when the cash flow situation was positive. In this way, funds would be available to meet a program's financial obligations even during periods of negative cash flow.

What Fiscal Reports Are Necessary?

Fiscal reports summarize the financial activities of an organization. They provide the information that directors and board members need to evaluate the financial status of the program. The content of the reports and the frequency with which they are compiled depend on the requirements of funding sources and the needs of those who use the data. Financial reports that are common to most child care programs include monthly and yearly financial status reports, balance sheets, and audits. They are described below.

Financial Status Report

A Financial Status Report indicates the actual money received and spent during a specified time period and compares it to the amounts budgeted. Prepared on a monthly basis, it can reveal early symptoms of financial trouble. Programs can then address the problem(s) and make plans to cut expenses, raise additional income, or revise the budget. The yearly Financial Status Report compares total figures for actual expenses and income to the yearly budgeted figures. This information is useful to prepare more precise and reliable estimates for next year's budget.

A yearly Financial Status Report consists of the line items listed in the budget, focusing on three areas: the amount budgeted, the actual amount spent or received, and the difference. Formats for monthly financial status reports vary widely in terms of degrees of comparing actual costs to budgeted costs. An example of a monthly financial status report is presented in Box C. Adaptations can be made to meet the needs of individual programs.

Balance Sheet

A balance sheet is prepared annually as another means of reporting on a program's financial status. It identifies the program's net worth by subtracting its liabilities or debts from the program's assets. Assets include cash and anything that can be turned into cash, such as approved grant awards, buildings, and equipment. The difference between the liabilities and assets determines the financial worth of the program. This amount is the Fund Balance. A balance sheet is usually prepared by an accountant. It is important for directors and board members to understand the report because it provides useful informa-

BOX C

Monthly Financial Status Report

Month_____

	Yearly Budget	Actual Monthly	Actual YTD	Budgeted YTD	Difference YTD
EXPENSES (list all line items in the budget)					
INCOME (list all sources)					
TOTALS					

Yearly Budget – lists the figures that are in the approved budget

Actual Monthly – identifies the actual amounts of money that were spent or earned during the specified month

Actual YTD (Year-To-Date) – indicates the amount of money actually spent or received from the beginning of the year, to the present

Budgeted YTD – identifies the amount of money that was budgeted to be spent or earned from the beginning of the year to the present

Difference in YTD – indicates the difference between the Actual YTD and the Budgeted YTD expressed in an amount or a percentage

The attendance records provide information on the number of children enrolled. Even if all the parents are regularly paying their tuition, the program could be in financial trouble if enrollment is low. Reviewing the attendance records weekly will indicate if there are any openings to be filled and will identify frequently absent children who may be in the process of dropping out of the program.

Since the income of a school-age child care program is largely based on the numbers of children attending the program, every opening should be filled as quickly as possible. Over the course of a year, one- or two-week lapses between a child leaving the program and another child enrolling in the program can result in a substantial loss of income. Recruiting children year round can assist in filling openings as quickly as possible.

Developing a Waiting List

To ensure openings are filled quickly, programs may wish to keep a list of families who are waiting to enroll their children. It is important to develop policies that clearly define how openings will be filled from the waiting list.

Programs differ widely in establishing policies that determine which child on a waiting list will be selected when the next opening occurs.

Methods can range from accepting applications in the order they are received, to selecting children based on need. Referrals from Child Protective Services, community agencies, or schools may determine a first priority status for some students. Financial status might also be an indicator of eligibility if the program allocates a specific number of slots for low-income families. The criteria established by the program should be an equitable policy, communicated to parents in writing, and followed when selecting new enrollees.

What Safeguards Are Needed for Spending Funds?

Every school-age child care program should develop procedures for spending funds based upon a carefully conceived internal control system. These procedures arrange necessary fiscal duties in such a way that they are not duplicated, automatically provide control of the program's funds, and ensure the accuracy of the records. These measures minimize staff error and provide protection against misappropriation of funds. They are commonly praticed procedures recommended by accountants, auditors, and funding sources.

At a minimum, such procedures include creating a payroll system, establishing procedures for purchasing goods and services, establishing a petty cash system, controlling the issuance of checks, and reconciling bank statements. Discussions of each of these topics follow below.

Creating a Payroll System

The largest expense of most school-age child care programs is staff salaries. As such, it is critical that an efficient payroll system be developed. Payroll procedures include establishing methods of paying staff salaries, recording deductions from their salaries, and keeping accurate time cards which reflect the time worked and the time accrued for vacation and sick leave. A system needs to be developed that identifies who is responsible for the required reports and payments to the Internal Revenue Service, Social Security, health insurance agencies, and other fringe benefit providers. Personnel policies, defining overtime and the use of vacation and sick leave, must be developed to inform staff of the program's payment requirements. Some programs find it cost effective to have the payroll and required reports prepared by a commercial payroll service.

Establishing Procedures for Purchasing Goods and Services

Purchasing procedures identify who can order materials or services, what prior approval is necessary, and how the purchase will be recorded. Generally, the director of the program approves all purchases or approves a budgeted amount of money that is available for specific staff members to make purchases. Any purchases that exceed the amount of money allocated in the budget, must be presented to the board of directors for their approval. Purchasing procedures generally include a recommendation or a requirement to obtain prices from several vendors. The use of a competitive approach to obtain goods and services results in receiving the best quality for the best prices.

BOX A

Administrative Summary of Attendance and Parent Fees

_____Child Care Program

Week of_____ 19____

Name	Rate	Attendance M T W T F	Balance Amount Due This Week	Balance From Previous Week	Rec'd This Week	Bal. Due

Total Daily Attendance_____ # of Children Enrolled _____

Average Daily Attendance_____ Staff Signature _____

Date _____

Note: Adapted from *Managing the Day Care Dollars* by Gwen Morgan.

tion about the current financial status of the program.

Audit

An audit is an examination of a program's fiscal records and procedures to check their accuracy and effectiveness. It is conducted by a professional accountant and certifies that the program's fiscal practices are in compliance with general accounting principles and grant purposes. An annual, independent audit by a Certified Public Accountant (CPA) is highly recommended and is often required by public funding sources. If an audit is not required, a Yearly Financial Review can be performed by an accountant. This review is less detailed and less expensive than an audit and provides important information to a program. The financial advice received may well be worth its cost; recommendations may include practices that increase effectiveness and efficiency, suggestions for resolving financial problems, and updates on new laws pertaining to payroll and taxes.

The reports mentioned above will only be useful to a program if they are prepared in a timely manner so that the information is current. They also need to be reviewed and analyzed so that the finances of a program are carefully planned and controlled.

For Further Information

Individuals involved in planning programs should obtain resource materials and contact knowledgeable people who have already established programs to learn from their experiences. For a list of available technical assistance papers and the names of programs and resource people in your area, please contact the School-Age Child Care Project at the New York State Council on Children and Families, Mayor Erastus Corning Tower, 28th Floor, Empire State Plaza, Albany, New York 12223, (518) 474-6293.

The Service Corps of Retired Executives (SCORE), sponsored by the U.S. Small Business Administration, provides free, on-site, business counseling to small businesses and organizations. SCORE can advise programs on recordkeeping and accounting systems, purchasing procedures, and financial statements. For more information on SCORE contact the U.S. Small Business Administration, 455 Broadway, Room 242, Albany, New York 12207, (518) 472-6300.

The following resources and references may provide additional information on the topic of financial management procedures for school-age child care programs.

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For further information contact: ***The NYS Council on Children and Families (518) 474-6293***

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